DOCUMENT RESUME

ED 480 454 UD 035 847

TITLE	Indicators of Welfare Dependence: Annual Report to Congress, 2003.
INSTITUTION	Department of Health and Human Services, Washington, DC.
PUB DATE	2003-00-00
NOTE	162p.; For the 2001 report, see ED 457 288. Contributors to this report include Gil Crouse, Susan Hauan, Julia Isaacs, and Kendall Swenson, under the direction of Don Winstead.
AVAILABLE FROM	Office of Human Services Policy, Office of the Assistant Secretary for Planning and Evaluation, U.S. Department of Health and Human Services, Hubert H. Humphrey Building, Room 404E, 200 Independence Avenue, S.W., Washington, DC 20201. Fax: 202-690-6562; Web site: http:/ www.aspe.hhs.gov/hsp/index.htm.
PUB TYPE	Numerical/Quantitative Data (110) -- Reports - Descriptive (141)
EDRS PRICE	EDRS Price MF01/PC07 Plus Postage.
DESCRIPTORS	Adolescents; Child Support; Children; Disabilities; Dropout Rate; Early Parenthood; Educational Attainment; Employment Level; Family Income; Health Insurance; Job Skills; Poverty; Predictor Variables; Substance Abuse; Tables (Data); Unwed Mothers; Wages; *Welfare Recipients; Welfare Reform; *Welfare Services
IDENTIFIERS	*Dependency (Economics); Food Stamp Program; Personal Responsibility and Work Opp Recon Act; Supplemental Security Income Program; Temporary Assistance for Needy Families

ABSTRACT

This sixth annual report provides welfare dependence indicators through 2000, reflecting changes since enactment of the Personal Responsibility and Work Opportunity Act in 1996 and highlighting benefits under Aid to Families with Dependent Children (AFDC), now Temporary Assistance for Needy Families (TANF); the Food Stamp program; and Supplement Security Income (SSI). Data from the Current Population Survey and administrative data provide updated measures through 2000 for several dependence indicators. In 2003, 3.0 percent of the total population was dependent (receiving more than half of total family income from TANF, food stamps, and/or SSI). This rate fell considerably from 5.2 percent in 1996. Preliminary data suggest that 2001 dependency rates will remain approximately 3.0 percent. The drop in dependence parallels the drop in AFDC/TANF and food stamp caseloads. In an average month in 2000, 59 percent of TANF recipients lived in families with at least one family member in the labor force. Comparable figures for food stamp and SSI recipients were 56 and 37 percent, respectively. Spells of AFDC/TANF receipt in the second half of the 1990s were shorter than spells of AFDC receipt in the early 1990s. As the dependency rate fell between 1996-2000, the poverty rate for all individuals fell from 13.7 to 11.3 percent. Three appendices present program data, alternative definition of dependence based on income from TANF and food stamps, and additional non-marital birth data. (SM)

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Indicators of Welfare Dependence

Annual Report to Congress 2003

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Indicators of Welfare Dependence

Annual Report to Congress
2003

U.S. Department of Health and Human Services

Contributors to this report include Gil Crouse, Susan Hauan, Julia Isaacs, and Kendall Swenson of the Office of Human Services Policy under the direction of Don Winstead, Deputy Assistant Secretary for Human Services Policy, Office of the Assistant Secretary for Planning and Evaluation.

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Washington, D.C. 20201

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Executive Summary

The Welfare Indicators Act of 1994 requires the Department of Health and Human Services to prepare annual reports to Congress on indicators and predictors of welfare dependence. The 2003 *Indicators of Welfare Dependence*, the sixth annual report, provides welfare dependence indicators through 2000, reflecting changes that have taken place since enactment of the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) in August 1996. As directed by the Welfare Indicators Act, the report focuses on benefits under the Aid to Families with Dependent Children (AFDC) program, now the Temporary Assistance for Needy Families (TANF) program; the Food Stamp Program; and the Supplemental Security Income (SSI) program.

Welfare dependence, like poverty, is a continuum, with variations in degree and in duration. Families may be more or less dependent if larger or smaller shares of their total resources are derived from welfare programs. The amount of time over which families depend on welfare might also be considered in assessing their degree of dependence. Although recognizing the difficulties inherent in defining and measuring dependence, the bipartisan Advisory Board on Welfare Indicators proposed the following definition, as one measure to examine in concert with other key indicators of dependence and deprivation:

> A family is dependent on welfare if more than 50 percent of its total income in a one-year period comes from AFDC/TANF, food stamps and/or SSI, and this welfare income is not associated with work activities. Welfare dependence is the proportion of all families who are dependent on welfare.

The proposed definition is difficult to measure because of limitations with existing data collection efforts. Most importantly, the available data do not distinguish between cash benefits associated with work activities and non-work-related cash benefits. In addition, there are time lags in the availability of the national data from the detailed surveys that may be best suited to measure dependence.

This 2003 report uses data from the Current Population Survey (CPS) and administrative data to provide updated measures through 2000 for several dependence indicators. Other measures are based on the Survey of Income and Program Participation (SIPP), the Panel Study of Income Dynamics (PSID), and other data sources. Drawing on these various data sources, this report provides a number of key indicators of welfare recipiency, dependence, and labor force attachment. Selected highlights from the report include the following:

- In 2000, 3.0 percent of the total population was dependent in the sense of receiving more than half of total family income from TANF, food stamps, and/or SSI (see Indicator 1). This rate has fallen considerably from the 5.2 percent rate measured in 1996. Overall, 5.4 million fewer Americans were dependent on welfare in 2000 compared with 1996.

- Although the 2001 dependency rate cannot yet be calculated, preliminary data suggest it will remain approximately 3 percent.

- The drop in dependence parallels the more well-known drop in AFDC/TANF and food stamp caseloads. For example, the percentage of individuals receiving AFDC/TANF fell from 4.6 percent to 1.9 percent between 1996 and 2001 (see Indicator 3). Food stamp recipiency rates dropped from 9.5 percent to 5.7 percent over the same time period. Recipiency rates for TANF and food stamps fell again from 2000 to 2001.

- In an average month in 2000, more than half (59 percent) of TANF recipients lived in families with at least one family member in the labor force. Comparable figures for food stamp and SSI recipients were 56 and 37 percent, respectively (see Indicator 2). Labor force participation, particularly full-time employment, increased considerably among AFDC/TANF families in the last several years.

- Spells of AFDC/TANF receipt in the second half of the 1990s were shorter than spells of AFDC receipt in the early 1990s. Only 13 percent of AFDC/TANF spells for individuals entering the AFDC/TANF program between 1996 and 1998 lasted 20 months or longer compared with 34 percent of AFDC spells beginning between 1992 and 1994 (see Indicator 8).

Since the causes of welfare receipt and dependence are not clearly known, the report also includes a larger set of risk factors associated with welfare receipt. The risk factors are loosely organized into three categories: economic security measures, measures related to employment and barriers to employment, and measures of nonmarital childbearing. The economic security risk factors include measures of poverty and deprivation that are important not only as predictors of dependence, but also as a supplement to the dependence indicators, ensuring that dependence measures are not assessed in isolation. It is important to examine whether decreases in dependency are accompanied by improvements in family economic status or by reductions in family material circumstances. The report includes data on the official poverty rate, one of the most common measures of deprivation:

- As the dependency rate fell between 1996 and 2000, the poverty rate for all individuals fell also, from 13.7 percent in 1996 to 11.3 percent in 2000. In 2001, the poverty rate was slightly higher than in 2000 (11.7 percent), but was still lower than any year between 1980 and 1999 (see Economic Security Risk Factor 1, Figure ECON 1a).

Finally, the report has three appendices that provide additional program data on major welfare programs, as well as alternative measures of dependence and additional data on non-marital births.

Chapter I. Introduction and Overview

The Welfare Indicators Act of 1994 (Pub. L. 103-432) directed the Secretary of Health and Human Services (HHS) to publish an annual report on welfare dependency. This 2003 report, the sixth annual indicators report, gives updated data on the measures of welfare recipiency, dependency, and predictors of welfare dependence developed for previous reports. It reflects changes that have taken place since enactment of the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) in August 1996.

The purpose of this report is to address questions concerning the extent to which American families depend on income from welfare programs. Under the Welfare Indicators Act, HHS was directed to address the rate of welfare dependency, the degree and duration of welfare recipiency and dependence, and predictors of welfare dependence. The Act further specified that analyses of means-tested assistance should include benefits under the Aid to Families with Dependent Children (AFDC) program, now the Temporary Assistance for Needy Families (TANF) program; the Food Stamp Program; and the Supplemental Security Income (SSI) program.

The first annual report was produced under the oversight of a bipartisan Advisory Board on Welfare Indicators, which assisted the Secretary in defining welfare dependence, developing indicators of welfare dependence, and choosing appropriate data. Under the terms of the original authorizing legislation, the Advisory Board was terminated in October 1997, prior to the submission of the first annual report. Subsequent annual reports have provided updates for the measures developed for the first report. In recent years, the report has been shortened, in keeping with Congressional interest in a smaller set of indicators and predictors of dependency.

This 2003 report provides updated measures through 2000 for dependency measures based on the Current Population Survey (CPS), with one preliminary estimate for 2001. Although more recent administrative data provide some information on recipiency through 2002, the survey data needed to examine overall welfare recipiency are not available past 2000 for the CPS-based measures, and are even less current for measures based on the Survey of Income and Program Participation (SIPP) and the Panel Study of Income Dynamics. This report presents analysis of SIPP data through 1999 for the current report, an improvement over the 1995 data published in the previous three annual reports. These newly available SIPP data allow for the examination of a wider range of indicators and predictors of dependency since the enactment of welfare reform in 1996. As in the 2002 report, updated measures are presented at the front of each chapter, followed by the figures that are derived from data sources that are updated less frequently.

Organization of Report

This introductory chapter provides an overview of the specific summary measures of welfare dependence proposed by the Advisory Board. It also discusses summary measures of poverty, following the Board's recommendation that dependence measures not be assessed in isolation from measures of deprivation. Analysis of both measures is important because changes in dependence measures could result either from increases in work activity and other factors that would raise family incomes, or from sanctions or other changes in welfare programs that would reduce welfare program participation but might not improve the material circumstances of these families. The introduction concludes with a discussion of data sources used for the report.

Chapter II of the report, Indicators of Dependence, presents eleven indicators of welfare dependence and recipiency. These indicators include dependence measures based on total income from all three programs – AFDC/TANF, SSI, and food stamps – as well as measures of recipiency for each of the three programs considered separately. Labor force participation among families receiving welfare and benefit receipt across multiple programs are also shown. The second half of the chapter includes longitudinal data on transitions on and off welfare programs and spells of dependence and recipiency.

Chapter III, Predictors and Risk Factors Associated with Welfare Receipt, focuses on predictors of welfare dependence – risk factors believed to be associated with welfare receipt. These predictors are shown in three different groups:

> (1) **Economic security** – including various measures of poverty, receipt of child support, food insecurity, and health insurance coverage – is important in predicting dependence because families with fewer economic resources are more likely to rely on welfare programs for their support.
>
> (2) Measures of the **work status** and potential barriers to employment of adult family members also are critical, because families must generally receive an adequate income from employment in order to avoid dependence without severe deprivation.
>
> (3) Finally, data on **non-marital births** are important since a high proportion of long-term welfare recipients first became parents outside of marriage, frequently as teenagers.

Additional data are presented in three appendices. Appendix A provides basic program data on each of the main welfare programs and their recipients; Appendix B shows how dependence is affected by the inclusion of benefits from the SSI program; and Appendix C includes additional data on non-marital childbearing. The main welfare programs included in Appendix A are:

- The **Aid to Families with Dependent Children (AFDC)** program, the largest cash assistance program, provided monthly cash benefits to families with children, until its replacement by the **Temporary Assistance for Needy Families (TANF)** program, which is run directly by the states. Data on the AFDC and TANF programs are provided in Appendix A, with AFDC data provided from 1977 through June 1997, and TANF data from July 1997 through 2001.

- The **Food Stamp Program** provides monthly food stamp benefits to all individuals, whether they are living in families or alone, provided their income and assets are below limits set in Federal law. It reaches more poor people over the course of a year than any other means-tested public assistance program. Appendix A provides historical data from 1970 to 2001.

- The **Supplemental Security Income (SSI)** program provides monthly cash payments to elderly, blind, or disabled individuals or couples whose income and assets are below levels set in Federal law. Though the majority of recipients are adults, disabled children also are eligible. Historical data from 1974 through 2001 are provided in Appendix A.

Measuring Welfare Dependence

As suggested by its title, this report focuses on welfare "dependence" as well as welfare "recipiency." While recipiency can be defined fairly easily, based on the presence of benefits from AFDC/TANF, SSI or food stamps, dependence is a more complex concept.

Welfare dependence, like poverty, is a continuum, with variations in degree and in duration. Families may be more or less dependent if larger or smaller shares of their total resources are derived from welfare programs. The amount of time over which a family depends on welfare might also be considered in assessing its degree of dependence. Nevertheless, a summary measure of dependence to be used as an indicator for policy purposes must have some fixed parameters that allow one to determine which families should be counted as dependent, just as the poverty line defines who is poor under the official standard. The definition of dependence proposed by the Advisory Board for this purpose is as follows:

> A family is dependent on welfare if more than 50 percent of its total income in a one-year period comes from AFDC, food stamps and/or SSI, and this welfare income is not associated with work activities. Welfare dependence is the proportion of all families who are dependent on welfare.

This measure is not without its limitations. The Advisory Board recognized that no single measure could capture fully all aspects of dependence and that the proposed measure should be examined in concert with other key indicators of dependence and deprivation. In addition, while the proposed definition would count unsubsidized and subsidized employment and work required to obtain benefits as work activities, existing data sources do not permit distinguishing between welfare income associated with work activities and non-work-related welfare benefits. As a result, the data shown in this report overstate the incidence of dependence (as defined above) because welfare income associated with work required to obtain benefits is classified as welfare and not as income from work. This issue may be growing in importance under the increased work requirements of the TANF program. In 2001, the percentage of welfare recipients who were working (including employment, work experience, and community service) reached an all-time high of over 34 percent, compared to the 7 percent recorded in 1992.[1]

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[1] The earnings of those in unsubsidized employment would be correctly captured as income from work in national surveys. Any welfare benefits associated with work experience, community service programs or other work activities, however, would be counted as income from welfare in most national surveys, a classification incompatible with the proposed definition.

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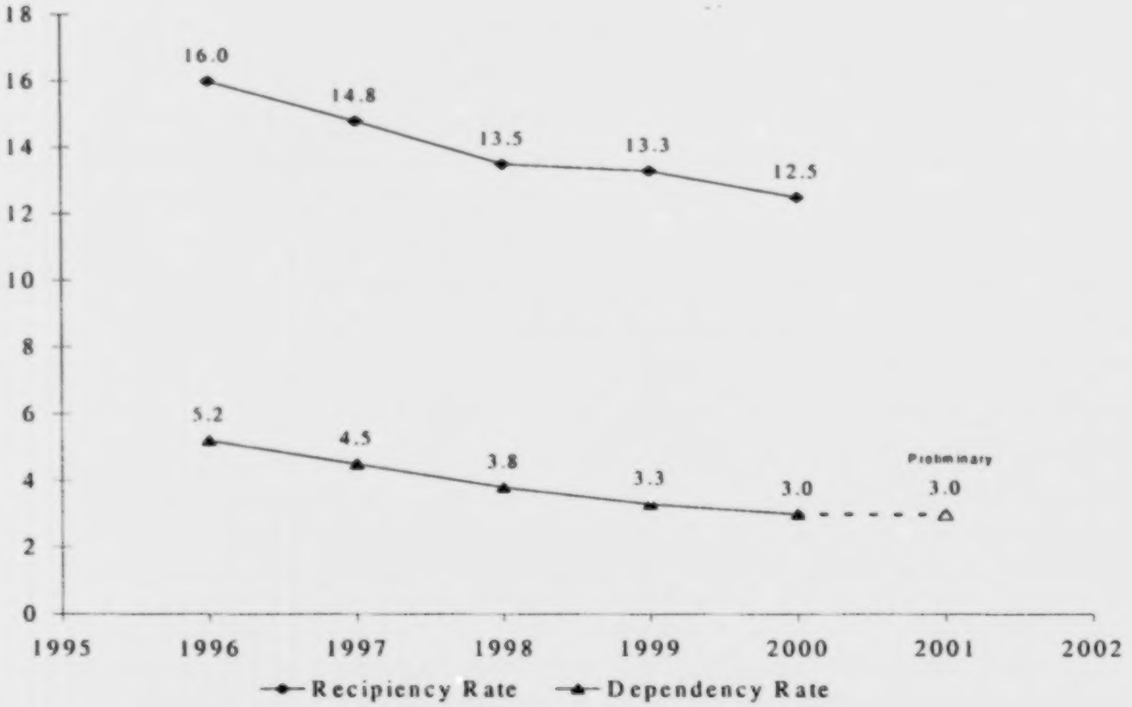
This proposed definition also represents an essentially arbitrary choice of a percentage (50 percent) of income from welfare beyond which families will be considered dependent. However, it is relatively easy to measure and to track over time, and is likely to be associated with any very large changes in total dependence, however defined. For example, dependence under this definition has declined as policy changes under welfare reform have moved more recipients into employment or work-related activities.

As shown in Figure SUM 1, 3.0 percent of the population would be considered "dependent" on welfare in 2000 under the above definition. This is about one-quarter of the percentage (12.5 percent) that lived in a family receiving at least some TANF, food stamp or SSI benefits during the year. Preliminary data from 2001 suggest that the dependency rate remained unchanged between 2000 and 2001.[2]

Figure SUM 1. Recipiency and Dependency Rates: 1996-2001



Note: Recipiency is defined as living in a family with receipt of any amount of AFDC/TANF, SSI, or food stamps during year. Dependency is defined as having more than 50 percent of annual income from AFDC/TANF, SSI and/or food stamps. Dependency rates would be lower if adjusted to exclude welfare assistance associated with working. The estimate for 2001 is preliminary.

Source: March CPS data, analyzed using the TRIM3 microsimulation model.

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[2] While TRIM-adjusted CPS data for 2001 are not yet available, non-adjusted estimates from the Annual March Demographic Supplement to the CPS indicate no change in the level of dependence between 2001 and 2002.

Both dependency and recipiency rates fell between 1996 and 2000: dependence rates fell from 5.2 to 3.0 percent, while recipiency rates fell from 16.0 to 12.5 percent. The drop in recipiency rates is consistent with administrative data showing declining TANF and food stamp caseloads from 1996 to 2000. What is not apparent from administrative records, but is shown in these national survey data, is that the dependency rate also declined sharply between 1996 and 2000. While 13.74 million individuals were dependent in 1996, only 8.35 million were dependent in 2000 – representing a decline of 5.4 million people.

Recipiency and dependency rates are higher for non-Hispanic blacks and Hispanics than for non-Hispanic whites, as shown in Table SUM 1. Recipiency and dependence also are higher for young children than for adults, and for individuals in female-headed families than for those in married-couple families. However, both recipiency and dependency rates decreased for non-Hispanic blacks, Hispanics, children and individuals in female-headed families between 1996 and 2000.

Measures of welfare dependency also vary based upon which programs are counted as "welfare programs." Dependency would be much lower – 1.5 percent – if only AFDC/TANF and food stamp benefits were counted (as shown in Appendix B and as is done in some measures in this report). Whereas the inclusion or exclusion of individuals receiving only SSI benefits had a relatively small effect on dependence indicators several years ago, in 2000 two-fifths of dependent individuals are dependent on SSI income only.

Another factor affecting dependence is the time period observed. The summary measures shown in Figure and Table SUM 1 focus on recipiency and dependency rates measured on an annual basis. Long-term recipiency and dependency are more rare, as shown in the longitudinal measures in the second half of Chapter II. Indicator 9, for example, shows that among individuals receiving AFDC at some point over the ten years ending in 1996, 14 percent were dependent on AFDC and/or food stamps for six or more years (SSI income is excluded from this particular measure of dependency). This represents about 1.7 percent of the total population. Another 40 percent of recipients were dependent for one to five of the ten years, and 47 percent were not dependent in any year.

Measuring Deprivation

Changes in dependence may or may not be associated with changes in the level of deprivation, depending on the alternative sources of support found by families who might otherwise be dependent on welfare. To assess the social impacts of any change in dependence, changes in the level of poverty or deprivation also should be considered. This chapter focuses on the poverty rate, the most common measure of deprivation; additional measures of poverty and need are also included under the Economic Risk Factors found in Chapter III.

When compared to 1996, the year of passage of the Personal Responsibility and Work Opportunity Reconciliation Act, poverty has declined substantially. The official poverty rate for 2001 was 11.7 percent, compared to 13.7 percent in 1996. This change in the poverty rate indicates that 3.6 million fewer people are in poverty and 2.7 million fewer children are in

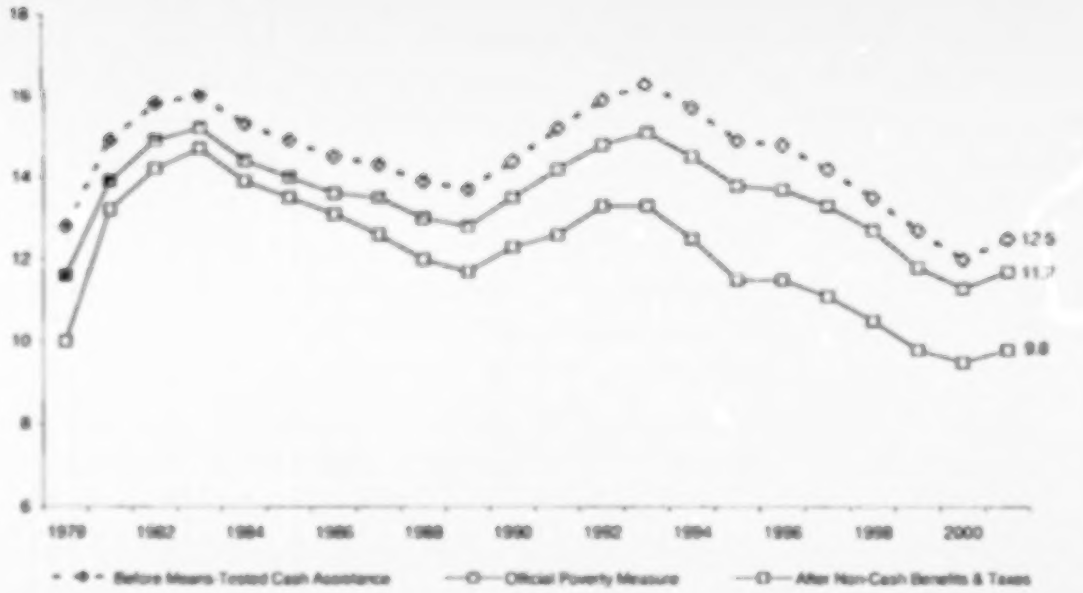
Table SUM 1. Recipiency and Dependency Rates: 1996-2000

	1996	1997	1998	1999	2000
Recipiency Rates (Rates of Any Amount of AFDC/TANF, Food Stamps, or SSI)					
All Persons	**16.0**	**14.8**	**13.5**	**13.3**	**12.5**
Racial/Ethnic Categories					
Non-Hispanic White	9.9	9.7	8.6	8.4	8.2
Non-Hispanic Black	35.6	30.2	29.6	29.8	27.0
Hispanic	32.0	28.0	24.5	23.4	21.0
Age Categories					
Children Ages 0-15	24.7	22.1	20.0	19.7	18.1
Women Ages 16-64	16.0	14.7	13.6	13.6	12.4
Men Ages 16-64	11.7	11.1	10.0	9.6	9.2
Adults Age 65 and over	10.3	10.2	9.9	10.0	10.4
Family Categories					
Individuals in Married Couple Families	9.6	8.7	8.3	7.9	7.2
Individuals in Female-Headed Families	46.0	41.6	37.5	39.9	37.1
Individuals in Male-Headed Families	25.3	24.3	19.7	19.3	21.8
Unrelated Individuals	11.5	11.9	10.9	10.0	10.2
Dependency Rates (More than 50 Percent of Income from Means-Tested Assistance)					
All Persons	**5.2**	**4.5**	**3.8**	**3.3**	**3.0**
Racial/Ethnic Categories					
Non-Hispanic White	2.6	2.5	2.1	1.8	1.9
Non-Hispanic Black	13.8	11.4	10.5	9.1	7.7
Hispanic	10.9	9.1	6.6	5.4	4.5
Age Categories					
Children Ages 0-15	9.7	8.4	6.8	5.6	5.1
Women Ages 16-64	5.2	4.6	3.9	3.5	3.0
Men Ages 16-64	2.7	2.5	2.1	1.9	1.9
Adults Age 65 and over	2.4	2.1	2.1	2.0	2.1
Family Categories					
Individuals in Married Couple Families	1.7	1.4	1.1	1.0	0.9
Individuals in Female-Headed Families	21.1	18.4	15.0	13.6	11.4
Individuals in Male-Headed Families	5.4	5.6	4.2	3.0	4.4
Unrelated Individuals	4.2	4.2	4.2	3.4	3.8

Note: Recipiency is defined as living in a family with receipt of any amount of AFDC/TANF, SSI, or food stamps during the year. Dependency is defined as having more than 50 percent of annual family income from AFDC/TANF, SSI and/or food stamps. Dependency rates would be lower if adjusted to exclude welfare assistance associated with working. Spouses are not present in the Male-Headed and Female-Headed family categories

Source: March CPS data, analyzed using the TRIM3 microsimulation model.

Figure SUM 2. Percentage of Total Population in Poverty with Various Means-Tested Benefits Added to Total Cash Income: 1979-2001



Source: Congressional Budget Office tabulations of March CPS data. Additional calculations by DHHS. See ECON 4 in Chapter III for underlying table and further notes.

families with incomes below poverty than in 1996. There was a small increase in the overall poverty rate between 2000 and 2001, but the poverty rate for children was essentially unchanged (see Table ECON 1 in Chapter II). For African-American children, the 2001 poverty rate is the lowest level ever reported, and the rate for Hispanic children is the lowest level reported in over 20 years (data not shown). The declines in poverty and child poverty since 1996 mirror the dramatic decreases seen in the welfare caseload.

Figure SUM 2 shows poverty estimates under both the official poverty rate and two other measures that adjust income to take into account cash benefits, non-cash benefits and taxes. The three measures in the graph are based on analyzing three different concepts of income against the poverty threshold:

The solid line with filled squares shows the official poverty rate, based on total cash income, including earned and unearned income. The official poverty rate was 11.7 percent in 2001.

The dotted line shows what poverty would be if means-tested cash assistance (primarily AFDC/TANF and SSI) were excluded from cash income. This measure includes earnings and other private cash income, plus social security, workers' compensation, and other social insurance programs, as income. Poverty under this measure would be higher than the official measure, or 12.5 percent in 2001.

The lowest line shows that poverty would be lower if the cash value of selected non-cash benefits (food and housing) and taxes, including refunds under the Earned Income Tax Credit (EITC), were counted as income.[3] Under this definition, poverty rates in 2001 would be nearly two percentage points lower than the official measure, or 9.8 percent.

A comparison of Figures SUM 1 and SUM 2 suggests that economic deprivation decreased at the same time as the large decline in caseloads and welfare dependence. Between 1996 and 2001, the "after non-cash benefits and taxes" measure of poverty fell by almost two percentage points, from 11.5 to 9.8 percent. Over the same time period, the dependence measure also declined, as shown in Figure SUM 1.

Data Sources

The primary data sources for this report are the Current Population Survey (CPS), the Survey of Income and Program Participation (SIPP), the Panel Study on Income Dynamics (PSID), and administrative data for the AFDC/TANF, Food Stamp, and SSI programs. Beginning with the 2001 report on dependence, there was a shift to using CPS rather than SIPP data for several indicators and predictors of welfare recipiency and dependence. This change was necessary because CPS data are updated annually, while SIPP updates are available much less frequently.

If it were not for the lags in data availability, the SIPP would be considered the most useful national survey for measuring welfare dependency. It was used most extensively in the first three annual dependence reports. Its strengths are its longitudinal design, system of monthly accounting, and detail concerning employment, income and participation in federal income-support and related programs. These features make the SIPP particularly effective for capturing the complexities of program dynamics. It continues to be an important source of data in this report, particularly for measures related to AFDC/TANF spell duration and transitions in and out of AFDC/TANF recipiency, dependency, and poverty. This 2003 report provides the first updated analysis of SIPP data beyond 1995, allowing examination of program dynamics under the TANF program.

For measures of receipt, dependency, and poverty at a single point in time, however, the report primarily uses the Annual March Demographic Supplement to the CPS, which measures income and poverty over an annual accounting period. As stated above, the CPS data are available on a more timely basis than the SIPP, and have been widely used to measure trends since the welfare reform legislation of 1996. However, because the CPS does not collect income in the same detail as the SIPP, it has been subject to criticism for underreporting of income, particularly welfare income. To address this concern, some of the indicators in this report are based on CPS data that have been analyzed by the Transfer Income Model (TRIM3), a microsimulation model developed by the Urban Institute under contract to the Office of the Assistant Secretary for Planning and Evaluation. Although its primary purpose is to simulate program eligibility and the impact of policy proposals, the TRIM model has also been used to correct for underreporting of welfare receipt and benefits. Welfare caseloads in TRIM3 are based on CPS data, adjusted upward to ensure that total estimates of recipients equal the total counts from administrative data. Even with these adjustments, some measurement differences between the CPS/TRIM data and SIPP data remain.

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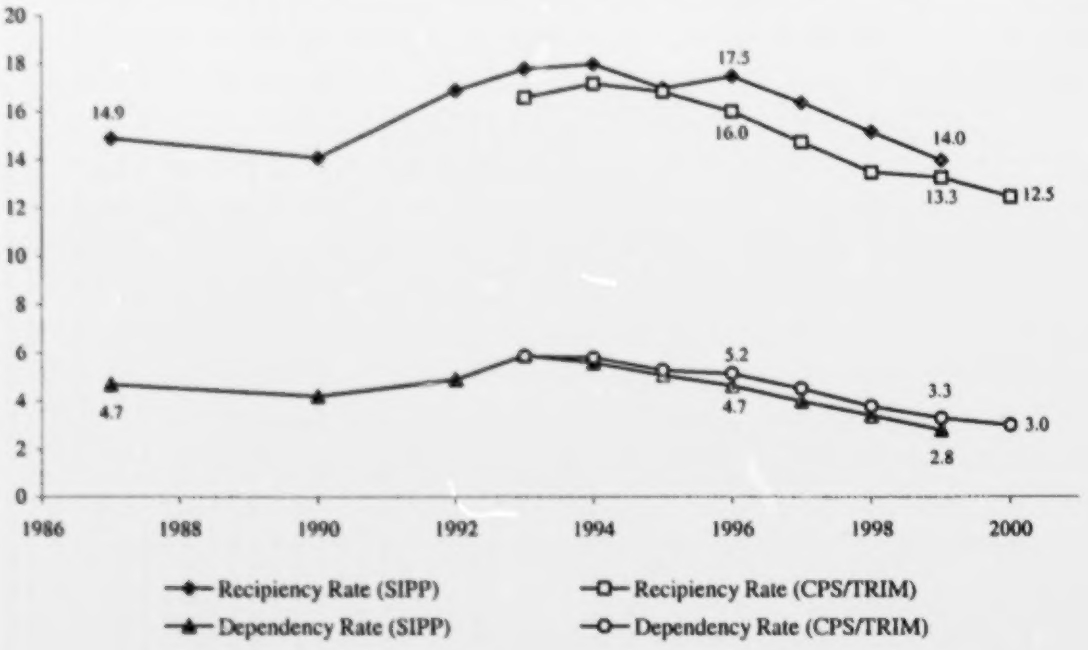
[3] The effects of selected non-cash benefits (food and housing) and taxes are shown separately in Figure ECON 4 in Chapter III. Prior to 1993, taxes increased poverty. Since 1993, taxes, including the refunds through the Earned Income Tax Credit, have caused reductions in poverty.

As shown in Figure SUM 3, the overall measures of dependency and recipiency have not been greatly affected by the change in data sources. Both data sources show a decline in dependence between 1996 and 1999, from 4.7 to 2.8 percent under the SIPP data, and from 5.2 to 3.3 percent under the TRIM-adjusted CPS data. Still, readers are cautioned against comparing measures for 1987-1995 from the SIPP data in the first three annual reports with the measures for 1996-2000 from the TRIM-adjusted CPS data. In Chapter II, indicators using the CPS data have been analyzed for every year since 1993 (the first year for which TRIM-adjusted CPS data are available), providing a new time series of how the indicators are changing over time from a consistent data source.

Figure SUM 3. Recipiency and Dependency Rates from Two Data Sources: 1987-2000



Note: Recipiency is defined as receipt of any amount of AFDC/TANF, SSI, or food stamps during year. Dependency is defined as having more than 50 percent of annual family income from AFDC/TANF, SSI and/or food stamps. Dependency rates would be lower if adjusted to exclude welfare assistance associated with working.

Source: March CPS data, analyzed using the TRIM3 microsimulation model.

The Panel Study of Income Dynamics (PSID) is another source of data used in this report. Like the SIPP it provides longitudinal data, but over a much longer time period than the three- to four-year time period of the SIPP. The PSID has collected annual income data, including transfer income, since 1968, providing vital data for indicators of long-term welfare receipt, dependence, and deprivation. The PSID measures cover time spans as long as a decade and so are updated less frequently than the CPS-based and SIPP-based measures. The PSID measures in this year's report are unchanged from last year's report, and generally cover the decade ending in 1996.

Finally, the report also draws upon administrative data for the AFDC/TANF, Food Stamp and SSI programs. These data are largely reported in Appendix A. Like the CPS data, administrative data are generally available with little time lags; these data are generally available through fiscal year 2001. To the extent possible, TANF administrative data are reported in a consistent manner with data from the earlier AFDC program, as noted in the footnotes to the tables in Appendix A. The fact remains that assistance under locally designed TANF programs encompasses a diverse set of cash and non-cash benefits designed to support families in making a transition to work, and so direct comparisons between AFDC receipt and TANF receipt must be made with caution. This issue also affects reported data on TANF receipt in national data sets such as the CPS and SIPP.

Most of the data sources allow analysis of the indicators and predictors of welfare dependence across several age and racial/ethnic categories. Where the data are available, statistics are shown for three racial/ethnic groups – non-Hispanic whites, non-Hispanic blacks, and Hispanics.[4] In some instances, however, there are not sufficient data on individuals of Hispanic origin, and so the measures are shown for only two racial/ethnic categories. For the primary measure of dependency in this 2003 report, estimates are also provided for individual persons by family structure (see SUM1 and IND1). For these measures, the entire population is subdivided into the following four groups:

- individuals in married-couple families
- individuals in female-headed families, no spouse present
- individuals in male-headed families, no spouse present
- unrelated individuals.

Two technical notes concern the unit of analysis and the difference between annual and monthly measures. The individual, rather than the family or household, is the unit of analysis for most of the statistics in this report. The individual's dependency status, however, is generally based on total family income, taking into account means-tested assistance, earnings and other sources of income for all individuals in the family.[5] This chapter, for example, has reported the percentage of individuals that are dependent (in SUM 1) or poor (in SUM 2) according to annual total family income. Recipiency status is also based on total annual family income in some instances; in SUM 1, for example, recipients are individuals in families receiving assistance at some point in the year. In most other indicators, recipiency is measured as the direct receipt of a benefit by an individual in a month. The difference between an individual and a family measure of recipiency is largest in the SSI program, which provides benefits to individuals and couples, not to families.

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[4] Due to small sample size, American Indians/Alaska natives and Asian/Pacific Islanders are included in the totals but are not shown separately.

[5] Family is generally defined as following the broad Census Bureau definition of family – all persons residing together that are related by birth, marriage, or adoption.

Finally, there also are differences between monthly and annual observation of benefit receipt. For example, the measures of annual recipiency (that is, any receipt over the course of a year) shown in Figure and Table SUM 1 are higher than the more traditional measures of recipiency in an average month, as shown in several other indicators.

Chapter II. Indicators of Dependence

Following the format of the previous annual reports to Congress, Chapter II presents summary data related to indicators of dependence. These indicators differ from other welfare statistics because of their emphasis on welfare dependence, rather than simple welfare receipt. As discussed in Chapter I, the Advisory Board on Welfare Indicators suggested measuring dependence as the proportion of families with more than 50 percent of their total income in a one-year period coming from cash assistance through the AFDC (now TANF) program, food stamps and SSI benefits. Furthermore, this welfare income was not to be associated with work activities.

The indicators in Chapter II were selected to provide information about dependence, following, to the extent feasible, the definition of dependence proposed by the Advisory Board. Existing data from administrative records and national surveys, however, do not generally distinguish welfare benefits received in conjunction with work from benefits received without work. Thus, it was not possible to construct one single indicator of dependence; that is, one indicator that measures both percentage of income from means-tested assistance and presence of work activities.

Instead, this chapter includes some indicators that focus on the percentage of recipients' income from means-tested assistance, while other indicators focus on presence of work activities at the same time as welfare receipt. Still other indicators present summary data and characteristics on all recipients, not limited to those with more than 50 percent of total income from welfare programs or those without work activities.

Overall, the indicators of dependency were selected to reflect both the range and depth of dependence. This chapter focuses on recipients of three major means-tested cash and nutritional assistance programs: cash assistance through the Aid to Families with Dependent Children (AFDC) and the Temporary Assistance for Needy Families (TANF) programs, benefits under the Food Stamp Program, and Supplemental Security Income (SSI) benefits for elderly and disabled recipients.

Here is a brief summary of each of the eleven indicators:

Indicator 1: Degree of Dependence. This indicator focuses most closely on those individuals who meet the Advisory Board's proposed definition of "dependence." In addition to examining individuals with more than 50 percent of their annual family income from AFDC/TANF cash assistance, food stamps and/or SSI benefits, it shows various levels of dependence by examining those with more than 0 percent, 25 percent, and 75 percent of their income from these sources (Indicators 1a and 1b). This indicator also shows the average percentage of income from means-tested assistance and earnings received by families with various levels of income relative to the poverty level (Indicators 1c and 1d).

Indicator 2: Receipt of Means-Tested Assistance and Labor Force Attachment. This indicator looks further at the relationship between receipt of means-tested assistance and participation in the labor force. This is an important issue because of the significant number of low-income individuals who use a combination of means-tested assistance and earnings from the labor force to get by each month.

Indicator 3: Rates of Receipt of Means-Tested Assistance. This indicator paints yet another picture of dependence by measuring recipiency rates, that is, the percentage of the population that receives AFDC/TANF, food stamps, or SSI in an average month. Program administrative data make these figures readily available over time, allowing a better sense of historical trends than is available from the more specialized indicators of dependence.

Indicator 4: Rates of Participation in Means-Tested Assistance Programs. While means-tested public assistance programs are open to all that meet their requirements, not all eligible households participate in the programs. This indicator uses administrative data and microsimulation models to reflect "take up rates" – the number of families that actually participate in the programs as a percentage of those who are legally eligible.

Indicator 5: Multiple Program Receipt. Depending on their circumstances, individuals may choose a variety of different means-tested assistance "packages." This indicator looks at the percentage of individuals receiving AFDC/TANF, food stamps, and SSI in a month, examining how many rely on just one of these programs, and how many rely on a combination of two programs.

Indicator 6: Dependence Transitions. This indicator uses data from the Survey of Income and Program Participation (SIPP) to look at the ability of individuals who are dependent on welfare in one year to make the transition out of dependence in the following year.

Indicator 7: Dependence Spell Duration. Like Indicator 6, this indicator is concerned with dynamics of welfare receipt and welfare dependence. It shows the proportion of individuals with short, medium, and long spells, or episodes, of AFDC or TANF receipt. The focus is on individuals in AFDC/TANF families with no labor force participants.

Indicator 8: Program Spell Duration. One critical aspect of dependence is how long individuals receive means-tested assistance. Like Indicator 7, this indicator provides information on short, medium, and long spells of welfare receipt. It differs from Indicator 7 in looking at all recipients, regardless of attachment to the labor force, and in analyzing recipients of each of the three major means-tested programs – AFDC/TANF, the Food Stamp Program, and SSI.

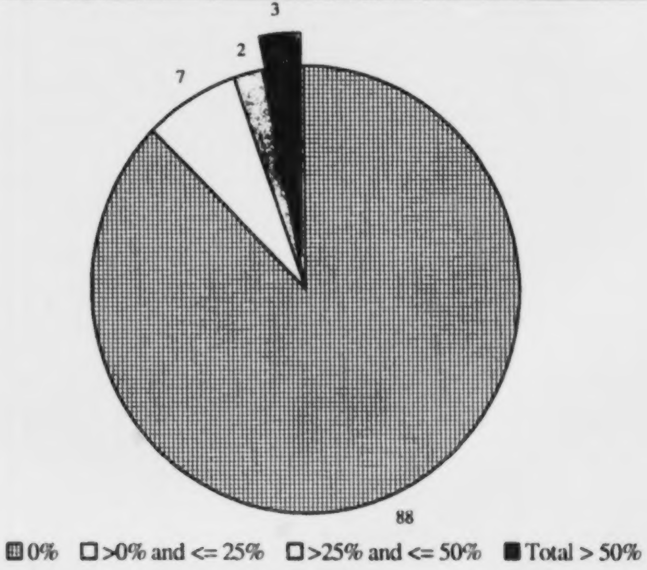
Indicator 9: Long-Term Dependency. This indicator uses data from the Panel Study of Income Dynamics (PSID) to examine dependency over three separate ten-year time periods. It measures dependency as individuals with more than 50 percent of their income from AFDC and food stamps, not counting SSI.

Indicator 10: Long-Term Receipt. Many individuals who leave welfare programs cycle back on after an absence of several months. Thus it is important to look beyond individual program spells, measured in Indicator 8, to examine the cumulative amount of time individuals receive assistance over a period of several years.

Indicator 11: Events Associated with the Beginning and Ending of Program Spells. To gain a better understanding of welfare dynamics, it is important to go beyond measures of spell duration and examine information regarding the major events in people's lives that are correlated with the beginnings or endings of program spells. This measure focuses on receipt of AFDC.

INDICATOR 1. DEGREE OF DEPENDENCE

Figure IND 1a. Percentage of Total Income from Means-Tested Assistance Programs: 2000



Source: March CPS data, analyzed using the TRIM3 microsimulation model.

- Only 3.0 percent of the total population in 2000 received more than half of their total family income from TANF, food stamps and SSI. As shown in Table IND1b, the percentage of families dependent on public assistance has dropped in half since 1993, with most of the decline occurring since 1996. As noted in Chapter I, preliminary data suggest dependency will remain near 3 percent in 2001.

- A total of 13 percent of the overall population received at least one dollar in means-tested assistance in 2000. However, for over half of these individuals (7 percent of the total population), such assistance represented 25 percent or less of annual family income. The vast majority (88 percent) of the population received no means-tested assistance in 2000.

- As shown in Table IND 1a, individuals living in female-headed families were much more likely to be dependent on assistance from means-tested programs compared to individuals in married-couple or male-headed families (11.4 percent compared to 0.9 and 4.4 percent respectively).

- In 2000, fewer than one in four individuals receiving some public assistance reported that TANF, food stamps, and SSI accounted for more than half of their total family income. This number showed a decline in dependence since 1996, when nearly one in three individuals receiving public assistance were dependent on it.

Table IND 1a. Percentage of Total Annual Family Income from Means-Tested Assistance Programs, by Race/Ethnicity and Age: 2000

	0%	>0% and <= 25%	>25% and <= 50%	>50% and <= 75%	>75% and <= 100%	Total > 50%
All Persons	87.5	7.3	2.2	1.0	2.0	3.0
Racial/Ethnic Categories						
Non-Hispanic White	91.8	5.1	1.3	0.7	1.2	1.9
Non-Hispanic Black	73.0	14.2	5.0	2.3	5.4	7.7
Hispanic	79.0	12.3	4.2	1.6	2.9	4.5
Age Categories						
Children Ages 0-17	82.2	9.3	3.6	1.9	2.9	4.9
Women Ages 16-64	87.6	7.4	2.0	1.0	2.1	3.0
Men Ages 16-64	90.8	6.1	1.3	0.5	1.3	1.9
Adults Age 65 and over	89.6	6.2	2.1	0.7	1.4	2.1
Family Categories						
Individuals in Married Couple Families	92.8	5.2	1.0	0.3	0.6	0.9
Individuals in Female-Headed Families	62.9	17.5	8.2	4.7	6.8	11.4
Individuals in Male-Headed Families	78.2	13.5	3.9	1.4	3.0	4.4
Unrelated Individuals	89.9	5.1	1.3	0.6	3.2	3.8

Note: Means-tested assistance includes AFDC/TANF, SSI, and food stamps. Total >50% includes all persons with more than 50 percent of their total annual family income from these means-tested programs. Income includes cash income and the value of food stamps. Spouses are not present in the Female-Headed and Male-Headed family categories.

Source: March CPS data, analyzed using the TRIM3 microsimulation model.

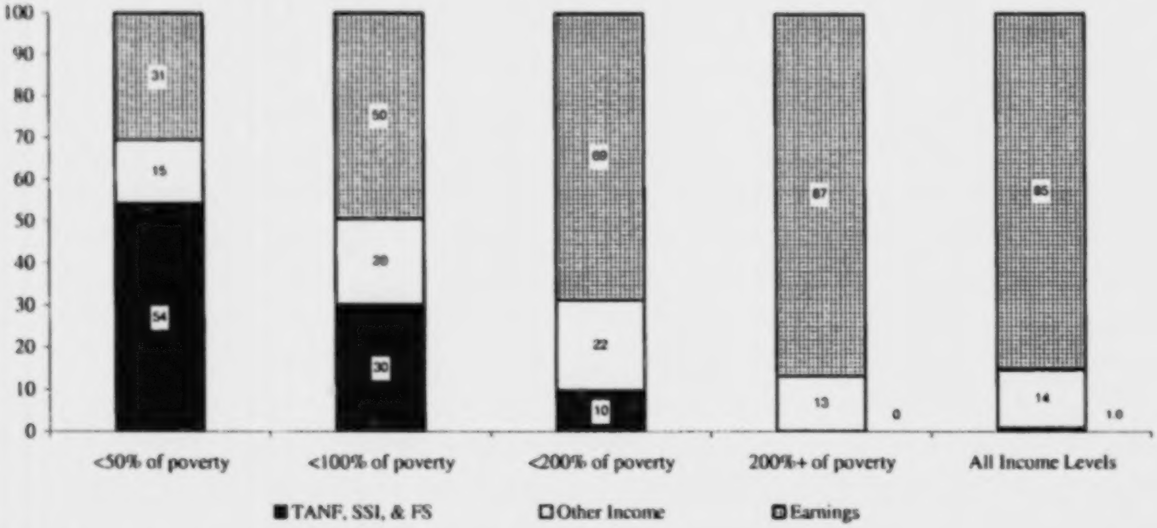
Table IND 1b. Percentage of Total Annual Family Income from Means-Tested Assistance Programs: 1993-2000

	0%	>0% and <= 25%	>25% and <= 50%	>50% and <= 75%	>75% and <= 100%	Total > 50%
1993	83.4	7.8	3.0	1.8	4.1	5.9
1994	82.8	8.4	3.1	1.8	4.0	5.8
1995	83.2	8.5	3.1	1.8	3.5	5.3
1996	84.0	7.8	3.1	1.9	3.3	5.2
1997	85.3	7.7	2.5	1.5	3.1	4.5
1998	86.5	7.3	2.5	1.3	2.5	3.8
1999	86.7	7.7	2.3	1.1	2.2	3.3
2000	87.5	7.3	2.2	1.0	2.0	3.0

Note: Means-tested assistance includes AFDC/TANF, SSI, and food stamps. Total >50% includes all persons with more than 50 percent of their total annual family income from these means-tested programs. Income includes cash income and the value of food stamps.

Source: March CPS data, analyzed using the TRIM3 microsimulation model.

Figure IND 1b. Percentage of Total Annual Income from Various Sources, by Poverty Status: 2000



Source: March CPS data, analyzed using the TRIM3 microsimulation model.

- Those in families with income below the poverty level received half (50 percent) of their total family income from earnings and 30 percent of their total family income from means-tested assistance programs (AFDC/TANF, SSI, and food stamps) in 2000. In contrast, those with family income over 200 percent of the poverty level received the majority (87 percent) of their income from earnings and less than one percent of their income from means-tested assistance (a percentage so small as to not be visible in Figure IND 1b).

- The percentage of family income received from earnings is inversely proportional to overall family income relative to the poverty line. For example, the percentage of income received from earnings for those living in deep poverty (below 50 percent of poverty) was only 31 percent, compared to 50 percent for all poor individuals in 2000.

- On average, children were more likely than the elderly to live in families receiving a higher percentage of their income from means-tested assistance programs, as shown by Table IND 1c. The elderly received more income from other sources, such as Social Security benefits and private pensions.

- The percentage of income received from earnings for families with incomes below the poverty level has increased over time, as shown in Table IND 1d. In 1995, poor families received 40 percent of their income from earnings; this percentage rose to 50 percent in 2000.

Table IND 1c. Percentage of Total Annual Family Income from Various Sources, by Poverty Status, Race/Ethnicity, and Age: 2000

	< 50% poverty	<100% of poverty	<200% of poverty	200%+ of poverty	All Individuals
All Persons					
TANF, SSI, and Food Stamps	54.3	30.3	9.8	0.2	1.0
Earnings	30.5	49.5	68.7	86.7	85.3
Other Income	15.2	20.3	21.5	13.0	13.7
Racial/Ethnic Categories					
Non-Hispanic White					
TANF, SSI, and Food Stamps	50.6	27.8	7.7	0.1	0.5
Earnings	31.6	45.4	63.8	85.8	84.7
Other Income	17.8	26.7	28.6	14.1	14.8
Non-Hispanic Black					
TANF, SSI, and Food Stamps	59.6	39.0	15.2	0.5	3.2
Earnings	24.6	40.1	65.4	88.8	84.5
Other Income	15.9	20.9	19.4	10.7	12.3
Hispanic					
TANF, SSI, and Food Stamps	51.9	25.3	9.2	0.7	2.7
Earnings	38.4	64.0	80.2	92.2	89.3
Other Income	9.7	10.7	10.6	7.1	7.9
Age Categories					
Children Ages 0-5					
TANF, SSI, and Food Stamps	61.6	34.5	11.9	0.2	1.8
Earnings	26.6	54.6	79.5	94.1	92.2
Other Income	11.8	10.9	8.6	5.7	6.1
Children Ages 6-10					
TANF, SSI, and Food Stamps	60.2	34.5	11.2	0.1	1.6
Earnings	26.1	53.3	79.1	93.2	91.3
Other Income	13.7	12.3	9.8	6.7	7.1
Children Ages 11-15					
TANF, SSI, and Food Stamps	59.9	31.2	10.8	0.2	1.3
Earnings	26.7	53.6	76.4	92.2	90.5
Other Income	13.4	15.3	12.8	7.6	8.2

over

Table IND 1c. Percentage of Total Annual Family Income from Various Sources, by Poverty Status, Race/Ethnicity, and Age: 2000 *(continued)*

	< 50% poverty	<100% of poverty	<200% of poverty	200%+ of poverty	All Individuals
Women Ages 16-64					
TANF, SSI, and Food Stamps	50.1	31.0	10.4	0.2	0.9
Earnings	32.7	49.3	72.3	89.2	88.1
Other Income	17.2	19.6	17.3	10.5	11.0
Men Ages 16-64					
TANF, SSI, and Food Stamps	40.4	25.0	7.9	0.2	0.6
Earnings	42.8	55.8	76.1	90.7	89.9
Other Income	16.8	19.2	16.0	9.2	9.5
Adults Age 65 and over					
TANF, SSI, and Food Stamps	40.9	20.9	7.1	0.4	1.1
Earnings	12.6	4.5	9.3	36.0	32.9
Other Income	46.4	74.7	83.6	63.6	65.9

Note: Total income is total annual family income, including the value of food stamps. Other income is non means-tested, non-earnings income such as child support, alimony, pensions, Social Security benefits, interest, and dividends. Poverty status categories are not mutually exclusive.

Source: March CPS data, analyzed using the TRIM3 microsimulation model.

Table IND 1d. Percentage of Total Income from Various Sources: Selected Years

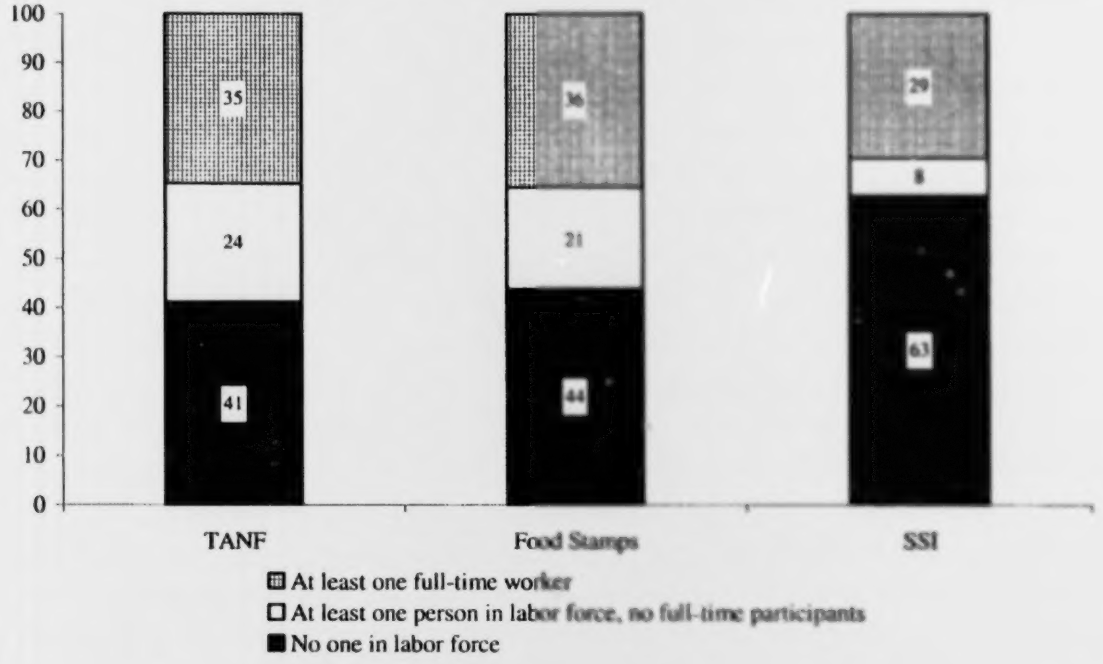
	< 50% poverty	<100% of poverty	<200% of poverty	200%+ of poverty
1995				
TANF, SSI, and Food Stamps	65.9	41.3	14.2	0.3
Earnings	22.5	40.4	64.8	85.4
Other Income	11.6	18.3	21.0	14.3
1999				
TANF, SSI, and Food Stamps	53.1	29.8	9.7	0.2
Earnings	30.2	49.3	69.1	85.0
Other Income	16.6	20.8	21.2	14.7
2000				
TANF, SSI, and Food Stamps	54.3	30.3	9.8	0.2
Earnings	30.5	49.5	68.7	86.7
Other Income	15.2	20.3	21.5	13.0

Note: Total income is total annual family income, including the value of food stamps. Other income is non means-tested, non-earnings income such as child support, alimony, pensions, Social Security benefits, interest, and dividends. Poverty status categories are not mutually exclusive.

Source: March CPS data, analyzed using the TRIM3 microsimulation model.

INDICATOR 2. RECEIPT OF MEANS-TESTED ASSISTANCE AND LABOR FORCE ATTACHMENT

Figure IND 2. Percentage of Recipients in Families with Labor Force Participants in that Month, by Program: 2000



Source: March CPS data, analyzed using the TRIM3 microsimulation model.

- In 2000, 59 percent of individuals who received TANF, 56 percent of individuals who received food stamps, and 37 percent of individuals who received SSI were in families with at least one person in the labor force, either part-time or full-time.

- Over one-third of TANF and food stamp recipients lived in families with at least one full-time worker in 2000, while slightly more than one-fifth had a part-time labor force participant. In contrast, SSI recipients were more likely to live in families with no labor force participant.

- As shown in Table IND 2a, among recipients of TANF, food stamps, and SSI, the percentage of children in families with at least one full-time worker was similar across various age groups.

- The percentage of AFDC/TANF recipients living in families with at least one full-time worker increased from 24 percent in 1996 to 35 percent in 2000, as shown in Table IND 2b.

Table IND 2a. Percentage of Recipients in Families with Labor Force Participants, by Program, Race/Ethnicity, and Age: 2000

		No one in LF	At least one in LF, No one FT	At least one FT worker
TANF	**All Persons**	41.2	24.1	34.7
	Non-Hispanic White	37.2	26.6	36.2
	Non-Hispanic Black	46.9	22.2	30.9
	Hispanic	40.8	24.3	34.9
	Children Ages 0-5	42.8	22.0	35.3
	Children Ages 6-10	42.3	25.6	32.1
	Children Ages 11-15	43.5	21.1	35.4
	Women Ages 16-64	41.0	24.7	34.3
	Men Ages 16-64	32.0	29.3	38.8
	Adults Age 65 and over	39.3	23.5	37.2
FOOD STAMPS	**All Persons**	43.9	20.6	35.5
	Non-Hispanic White	45.9	20.3	33.8
	Non-Hispanic Black	44.9	20.6	34.5
	Hispanic	37.4	21.4	41.2
	Children Ages 0-5	35.9	21.7	42.4
	Children Ages 6-10	35.6	23.0	41.4
	Children Ages 11-15	36.3	21.5	42.2
	Women Ages 16-64	44.1	21.3	34.6
	Men Ages 16-64	44.5	21.6	33.9
	Adults Age 65 and over	87.3	7.3	5.4
SSI	**All Persons**	62.9	7.7	29.4
	Non-Hispanic White	68.1	7.2	24.8
	Non-Hispanic Black	65.8	8.1	26.1
	Hispanic	48.8	7.5	43.7
	Children Ages 0-5	34.9	12.1	53.0
	Children Ages 6-10	33.7	16.9	49.4
	Children Ages 11-15	31.4	18.1	50.6
	Women Ages 16-64	70.3	7.3	22.4
	Men Ages 16-64	65.0	6.3	28.7
	Adults Age 65 and over	65.5	6.2	28.3

Note: Recipients are limited to those individuals or family members directly receiving benefits in a month. Full-time workers are those who usually work 35 hours or more per week. Part-time labor force participation includes part-time workers and those who are unemployed, laid off, and/or looking for work. This indicator measures, on an average monthly basis, the combination of individual benefit receipt and labor force participation by any family member in the same month.

Source: March CPS data, analyzed using the TRIM3 microsimulation model.

Table IND 2b. Percentage of AFDC/TANF Recipients in Families with Labor Force Participants: 1993-2000

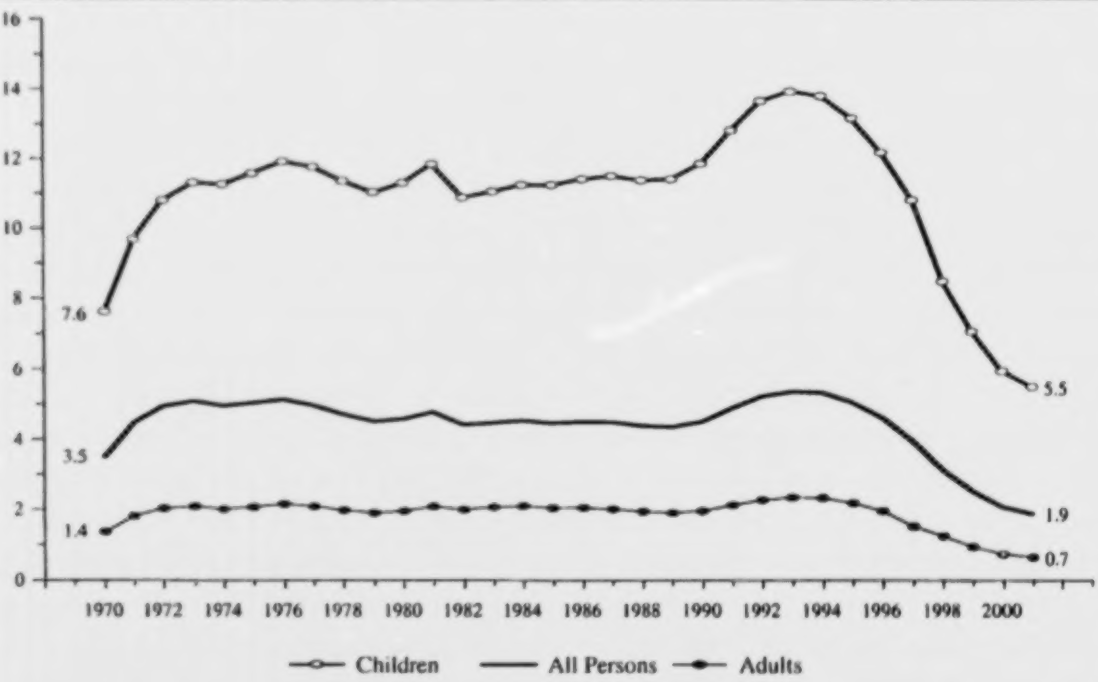
	No one in LF	At least one in LF, No one FT	At least one FT worker
1993	57.0	24.2	18.8
1994	54.8	24.8	20.4
1995	50.6	24.3	25.1
1996	50.1	25.6	24.3
1997	47.6	28.0	24.4
1998	44.3	25.8	29.9
1999	40.8	24.1	35.1
2000	41.2	24.1	34.7

Note: Recipients are limited to those individuals or family members directly receiving benefits in a month. Full-time workers are those who usually work 35 hours or more per week. Part-time labor force participation includes those who are unemployed, laid off, and/or looking for work. This indicator measures, on an average monthly basis, the combination of individual benefit receipt and labor force participation by any family member in the same month.

Source: March CPS data, analyzed using the TRIM3 microsimulation model.

INDICATOR 3. RATES OF RECEIPT OF MEANS-TESTED ASSISTANCE

Figure IND 3a. Percentage of the Total Population Receiving AFDC/TANF, by Age: 1970-2001



Source: U.S. Department of Health and Human Services, Administration for Children and Families, Office of Family Assistance, and U.S. Bureau of the Census, (available online at http://www.census.gov).

- Although the survey data needed to examine overall welfare receipt and dependency are not yet available past 2000, administrative data for AFDC/TANF, food stamps, and SSI provide measures of recipiency for each of these three programs through 2001, as shown in Figures IND 3a, IND 3b, and IND 3c. Additional administrative data are shown in Appendix A.

- Just under 2 percent of the population received TANF in 2001. This is the lowest rate of AFDC/TANF receipt in the 30 years shown in Table IND 3a. The percentage of the total population receiving AFDC/TANF has dropped significantly since 1994, when it was at a 25-year high of over 5 percent.

- AFDC/TANF recipiency rates have been much higher over time for children than for adults, with the child recipiency rates also showing more pronounced changes over time. Between 1993 and 2001, the receipt of AFDC/TANF receipt among children was cut more than half (from 14 to well under 6 percent), the most rapid decline in a generation.

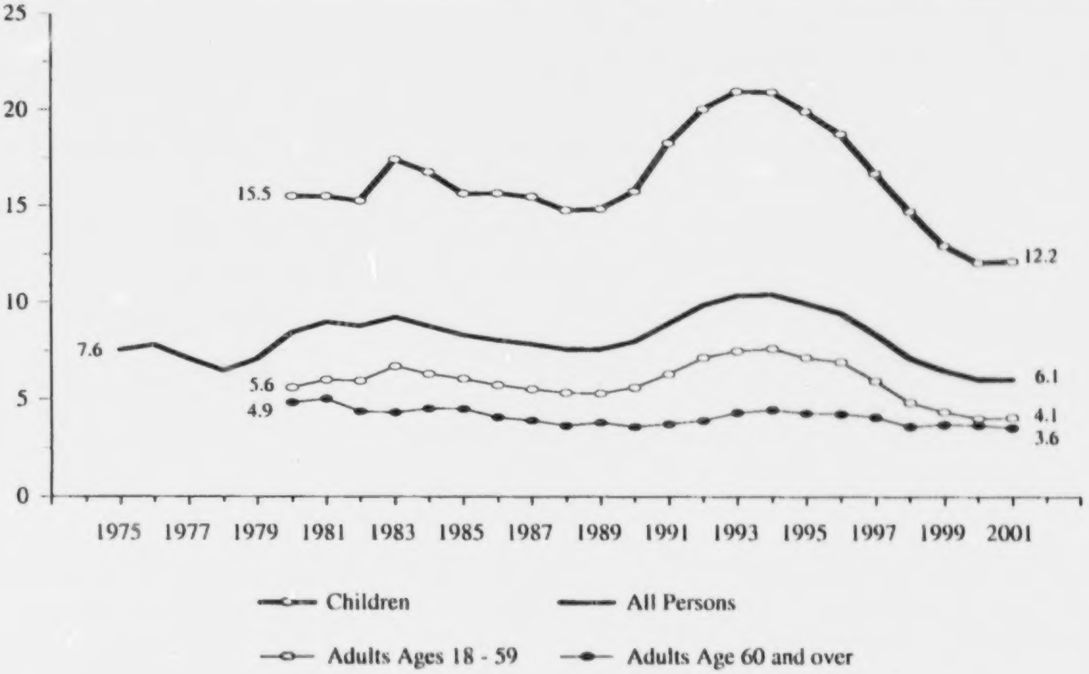
Table IND 3a. Number and Percentage of the Total Population Receiving AFDC/TANF, by Age 1970-2001

Fiscal Year	Total Recipients (excludes territories)		Adult Recipients (excludes territories)		Child Recipients (excludes territories)	
	Number (thousands)	Percent	Number (thousands)	Percent	Number (thousands)	Percent
1970	7,188	3.5	1,863	1.4	5,325	7.6
1971	9,281	4.5	2,516	1.8	6,765	9.7
1972	10,345	4.9	2,848	2.0	7,497	10.8
1973	10,760	5.1	2,984	2.1	7,776	11.3
1974	10,591	5.0	2,935	2.0	7,656	11.3
1975	10,854	5.0	3,078	2.1	7,776	11.6
1976	11,171	5.1	3,271	2.2	7,900	11.9
1977	10,933	5.0	3,230	2.1	7,703	11.8
1978	10,485	4.7	3,128	2.0	7,357	11.4
1979	10,146	4.5	3,071	1.9	7,075	11.0
1980	10,422	4.6	3,226	2.0	7,196	11.3
1981	10,979	4.8	3,491	2.1	7,488	11.8
1982	10,233	4.4	3,395	2.0	6,838	10.9
1983	10,467	4.5	3,548	2.1	6,919	11.1
1984	10,677	4.5	3,652	2.1	7,025	11.2
1985	10,630	4.5	3,589	2.0	7,041	11.2
1986	10,810	4.5	3,637	2.1	7,173	11.4
1987	10,878	4.5	3,624	2.0	7,254	11.5
1988	10,734	4.4	3,536	2.0	7,198	11.4
1989	10,741	4.4	3,503	1.9	7,238	11.4
1990	11,263	4.5	3,643	2.0	7,620	11.9
1991	12,391	4.9	4,016	2.1	8,375	12.8
1992	13,423	5.2	4,336	2.3	9,087	13.7
1993	13,943	5.4	4,519	2.3	9,424	13.9
1994	14,033	5.3	4,554	2.3	9,479	13.8
1995	13,479	5.1	4,322	2.2	9,157	13.2
1996	12,477	4.6	3,921	2.0	8,556	12.2
1997	10,779	4.0	3,106	1.5	7,673	10.8
1998	8,659	3.1	2,581	1.3	6,078	8.5
1999	7,068	2.5	1,973	1.0	5,096	7.1
2000	5,856	2.1	1,544	0.7	4,312	6.0
2001	5,383	1.9	1,385	0.7	3,998	5.5

Notes: See Appendix A, Tables TANF 2, TANF 12, and TANF 14, for more detailed data on recipiency rates, including recipiency rates by calendar year. Recipients are expressed as the fiscal year average of monthly caseloads from administrative data, excluding recipients in the territories. Child recipients include a small number of dependents ages 18 and older who are students. The average numbers of adult and child recipients in 1998 and 1999 are estimated using data from the National Emergency TANF Data Files and thereafter using the National TANF Data Files.

Source: U.S. Department of Health and Human Services, Administration for Children and Families, Office of Family Assistance, and U.S. Bureau of the Census, (available online at http://www.census.gov).

Figure IND 3b. Percentage of the Total Population Receiving Food Stamps, by Age: 1975-2001



Source: USDA, Food and Nutrition Service, Office of Analysis, Nutrition, and Evaluation, *Characteristics of Food Stamp Households, Fiscal Year 2001*, and earlier reports, and U.S. Bureau of the Census, (available online at http://www.census.gov).

- The food stamp recipiency rate, like the AFDC/TANF recipiency rate shown previously in Figure IND 3a, has fallen sharply in recent years. The percentage of all persons receiving food stamps peaked in 1994, at nearly 11 percent, but dropped to 6.1 percent in 2000 with no change in 2001, its lowest point ever since the Food Stamp program became available nationwide in 1975.

- As with AFDC/TANF, food stamp recipiency rates have been much higher over time for children than for adults. Between 1980 and 2001, the percentage of all children who received food stamps was between two and one-half to three times that for all adults 18 to 59.

- Similar trends in food stamps recipiency – largely reflecting changes in the rate of unemployment and programmatic changes – existed across all age groups over time, as shown in Table IND 3b. The percentages of individuals receiving food stamps within all age groups declined from 1984 through 1988, rose in the early 1990s until reaching a peak in 1994, and then declined through 2000 with no appreciable change in 2001.

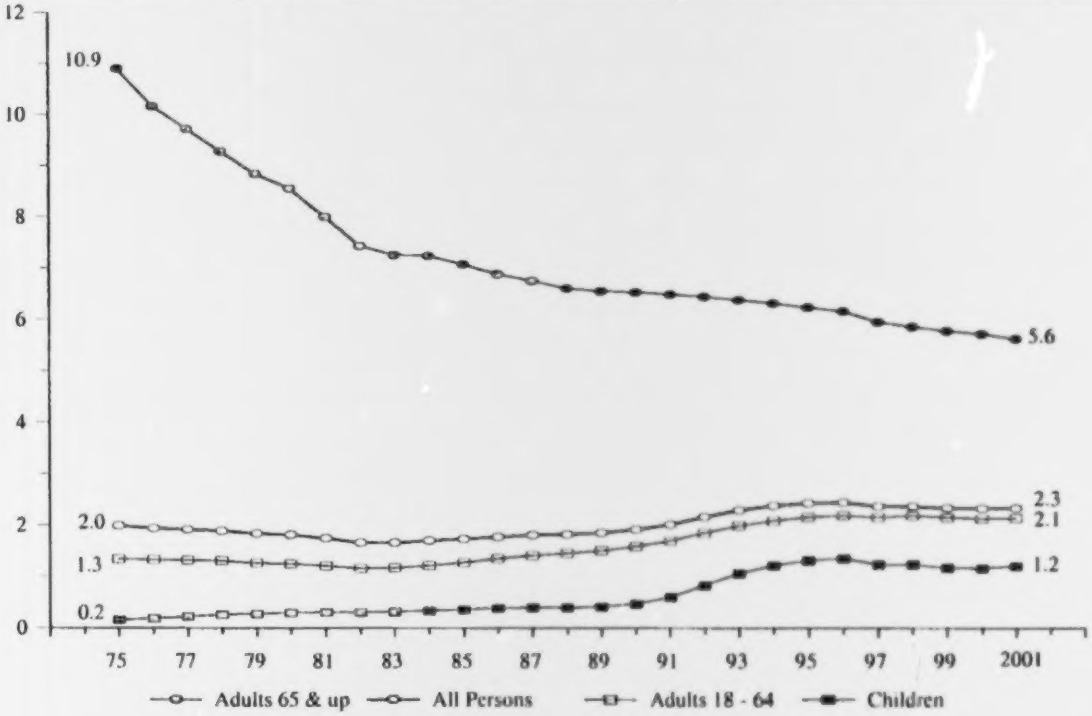
Table IND 3b. Number and Percentage of the Total Population Receiving Food Stamps, by Age 1975-2001

Fiscal Year	Total Recipients		Adult Recipients Age 60 and over		Adult Recipients Ages 18-59		Child Recipients Ages 0-18	
	Number (thousands)	Percent	Number (thousands)	Percent	Number (thousands)	Percent	Number (thousands)	Percent
1975	16,320	7.6	–	–	–	–	–	–
1976	17,033	7.8	–	–	–	–	9,126	13.8
1977	15,604	7.1	–	–	–	–	–	–
1978	14,405	6.5	–	–	–	–	–	–
1979	15,942	7.1	–	–	–	–	–	–
1980	19,253	8.5	1,741	4.9	7,186	5.6	9,876	15.5
1981	20,654	9.0	1,845	5.0	7,811	6.0	9,803	15.5
1982	21,754	9.4	1,641	4.4	7,838	6.0	9,591	15.3
1983	21,668	9.3	1,654	4.4	8,960	6.7	10,910	17.4
1984	20,796	8.8	1,758	4.5	8,521	6.3	10,492	16.8
1985	19,847	8.3	1,783	4.5	8,258	6.1	9,906	15.8
1986	19,381	8.1	1,631	4.1	7,895	5.7	9,844	15.7
1987	19,072	7.9	1,589	3.9	7,684	5.5	9,771	15.5
1988	18,613	7.6	1,500	3.7	7,506	5.3	9,351	14.8
1989	18,778	7.6	1,582	3.8	7,560	5.3	9,429	14.9
1990	20,020	8.0	1,511	3.6	8,084	5.6	10,127	15.8
1991	22,599	8.9	1,593	3.8	9,190	6.3	11,952	18.3
1992	25,369	9.9	1,687	3.9	10,550	7.2	13,349	20.1
1993	26,952	10.4	1,876	4.3	11,214	7.5	14,196	21.0
1994	27,433	10.4	1,952	4.5	11,539	7.6	14,391	21.0
1995	26,579	10.0	1,896	4.3	10,962	7.2	13,860	20.0
1996	25,494	9.5	1,892	4.3	10,766	6.9	13,189	18.8
1997	22,820	8.4	1,834	4.1	9,385	6.0	11,847	16.7
1998	19,746	7.2	1,637	3.6	7,772	4.9	10,524	14.7
1999	18,146	6.5	1,699	3.7	7,090	4.4	9,332	13.0
2000	17,120	6.1	1,702	3.7	6,623	4.0	8,743	12.1
2001	17,297	6.1	1,660	3.6	6,789	4.1	8,819	12.2

Note: See Appendix A, Tables FSP 1 and FSP 6 for more detailed data on recipiency rates. Recipients are expressed as the fiscal year average of monthly caseloads from administrative data, excluding recipients in the territories. From 1975 to 1983 the number of participants includes the Family Food Assistance Program (FFAP) that was largely replaced by the Food Stamp program in 1975. From 1975 to 1983 the number of FFAP participants averaged only 88 thousand.

Source: USDA, Food and Nutrition Service, Office of Analysis, Nutrition, and Evaluation, *Characteristics of Food Stamp Households, Fiscal Year 2001*, and earlier reports, and U.S. Bureau of the Census, (available online at http://www.census.gov)

Figure IND 3c. Percentage of the Total Population Receiving SSI, by Age: 1975-2001



Source: Social Security Administration, Office of Research, Evaluation, and Statistics, *Social Security Bulletin • Annual Statistical Supplement • 2002* (Data available online at http://www.ssa.gov/statistics), and U.S. Bureau of the Census, (available online at http://www.census.gov).

- Unlike the recipiency rates for AFDC/TANF and food stamps, which have been influenced by outside factors such as the economy and welfare reform, overall recipiency rates for SSI show less variation over time. After trending downward slightly from 1975 to the early 1980s, the proportion of the total population that receives SSI has risen from 1.7 percent in 1983 to 2.5 percent in 1996 and subsequently declined slightly to 2.3 percent. As shown in Table IND 3c, the total number of recipients has grown by 71 percent over the same period, from 3.9 million in 1983 to 6.7 million people in 2001.

- Elderly adults (aged 65 and older) have much higher recipiency rates than any other age group. The gap has narrowed, however, as percentage of adults aged 65 and older receiving SSI has been cut nearly in half, declining from 10.9 percent in 1975 to 5.6 percent in 2001.

- The proportion of children receiving SSI increased gradually between 1975 and 1990, and grew more rapidly in the early-to-mid 1990s, reaching a high of 1.4 percent in 1996. The rate has since fallen, with 1.2 percent of children receiving SSI in 2001.

Table IND 3c. Number and Percentage of the Total Population Receiving SSI, by Age: 1975-2001

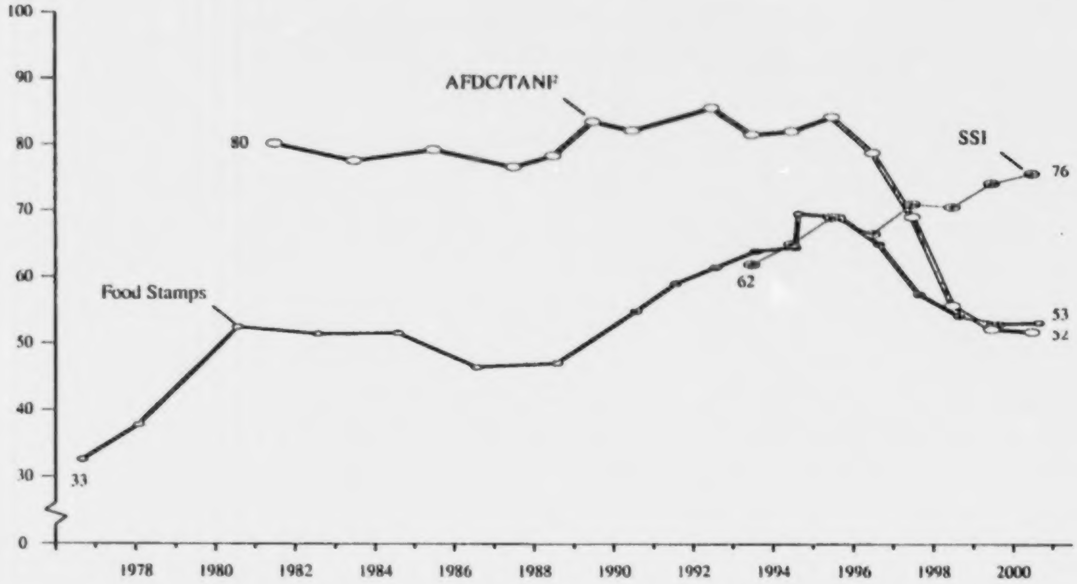
Date	Total Recipients		Adult Recipients Age 65 & over		Adult Recipients Ages 18-64		Child Recipients Ages 0-18	
	Number (thousands)	Percent	Number (thousands)	Percent	Number (thousands)	Percent	Number (thousands)	Percent
Dec 1975	4,314	2.0	2,508	10.9	1,699	1.3	107	0.2
Dec 1976	4,236	1.9	2,397	10.2	1,714	1.3	125	0.2
Dec 1977	4,238	1.9	2,353	9.7	1,738	1.3	147	0.2
Dec 1978	4,217	1.9	2,304	9.3	1,747	1.3	166	0.3
Dec 1979	4,150	1.8	2,246	8.8	1,727	1.3	177	0.3
Dec 1980	4,142	1.8	2,221	8.6	1,731	1.2	190	0.3
Dec 1981	4,019	1.7	2,121	8.0	1,703	1.2	195	0.3
Dec 1982	3,858	1.7	2,011	7.4	1,655	1.2	192	0.3
Dec 1983	3,901	1.7	2,003	7.3	1,700	1.2	198	0.3
Dec 1984	4,029	1.7	2,037	7.2	1,780	1.2	212	0.3
Dec 1985	4,138	1.7	2,031	7.1	1,879	1.3	227	0.4
Dec 1986	4,269	1.8	2,018	6.9	2,010	1.3	241	0.4
Dec 1987	4,385	1.8	2,015	6.7	2,119	1.4	251	0.4
Dec 1988	4,464	1.8	2,006	6.6	2,203	1.5	255	0.4
Dec 1989	4,593	1.9	2,026	6.5	2,302	1.5	265	0.4
Dec 1990	4,817	1.9	2,059	6.5	2,450	1.6	309	0.5
Dec 1991	5,118	2.0	2,080	6.5	2,642	1.7	397	0.6
Dec 1992	5,566	2.2	2,100	6.5	2,910	1.9	556	0.8
Dec 1993	5,984	2.3	2,113	6.4	3,148	2.0	723	1.1
Dec 1994	6,296	2.4	2,119	6.3	3,335	2.1	841	1.2
Dec 1995	6,514	2.5	2,115	6.3	3,482	2.2	917	1.3
Dec 1996	6,630	2.5	2,110	6.2	3,568	2.2	955	1.4
Dec 1997	6,495	2.4	2,054	6.0	3,562	2.2	880	1.3
Dec 1998	6,566	2.4	2,033	5.9	3,646	2.2	887	1.3
Dec 1999	6,557	2.4	2,019	5.8	3,691	2.2	847	1.2
Dec 2000	6,602	2.3	2,011	5.7	3,744	2.1	847	1.2
Dec 2001	6,688	2.3	1,995	5.6	3,811	2.1	882	1.2

Note: December population figures used as the denominators are obtained by averaging the Census Bureau's July 1 population estimates for the current and the following year (the December population estimates for the year 2000 are extrapolations of April 1, 2000 population figures). See Appendix A, Tables SSI 2, SSI 8, and SSI 9 for more detailed data on SSI recipiency rates. In this report the categories of children under 18 and adults 18-64 differ from those in previous editions where the category of children included a small number of dependents 18 and older who were students.

Source: Social Security Administration, Office of Research, Evaluation, and Statistics, *Social Security Bulletin • Annual Statistical Supplement • 2002* (Data available online at http://www.ssa.gov/statistics), and U.S. Bureau of the Census, (available online at http://www.census.gov)

INDICATOR 4. RATES OF PARTICIPATION IN MEANS-TESTED ASSISTANCE PROGRAMS

Figure IND 4. Participation Rates in the AFDC/TANF, Food Stamp and SSI Programs Selected Years



Source: AFDC and SSI participation rates are tabulated using TRIM3 microsimulation model, while food stamp participation rates are from a Mathematica Policy Research, Inc. model. See Tables IND 4a, IND 4b, and IND 4c for details.

- Whereas Indicator 3 examined participants as a percentage of the total population (recipiency rates), this indicator examines participating families or households as a percentage of the estimated eligible population (participation rates, also known as "take up" rates).

- Slightly over half (52 percent) of the families estimated as eligible for AFDC/TANF cash assistance actually enrolled and received benefits in an average month in 2000. This rate was essentially unchanged from 1999; and it was significantly lower than earlier AFDC participation rates, which ranged from 77 percent to 86 percent between 1981 and 1996.

- Food stamp participation rates have been very similar to AFDC/TANF participation rates in recent years. Estimated participation among eligible households has fallen from 69 percent in 1995 to 53 percent in both 1999 and 2000.

- In contrast to the declines in AFDC/TANF and food stamp participation, the SSI participation rate rose by 14 percentage points between 1993 and 2000. In 2000, the estimated SSI participation rate was 76 percent, well above the rates for the other two programs.

Table IND 4a. Number and Percentage of Eligible Families Participating in AFDC/TANF Selected Years

Calendar Year	Eligible Families (in millions)	Participating Families (in millions)	Participation Rate (percent)
1981	4.8	3.8	80.2
1983	4.7	3.7	77.7
1985	4.7	3.7	79.3
1987	4.9	3.8	76.7
1988	4.8	3.7	78.4
1989	4.5	3.8	83.6
1990	4.9	4.1	82.2
1992	5.6	4.8	85.7
1993	6.1	5.0	81.7
1994	6.1	5.0	82.6
1994 (revised)	6.1	5.0	82.1
1995	5.7	4.8	84.3
1996	5.6	4.4	78.9
1997	5.5	3.7	67.5
1997 (adjusted)	5.4	3.7	69.2
1998	5.5	3.1	55.8
1999	4.9	2.6	52.3
2000	4.3	2.2	51.8

Notes: Participation rates are estimated by an Urban Institute model (TRIM3) which uses CPS data to simulate AFDC/TANF eligibility and participation for an average month, by calendar year. There have been small changes in estimating methodology over time, due to model improvements and revisions to the CPS. Most notably, since 1994, the model has been revised to more accurately estimate SSI participation among children, and in 1997 and 1998 the model was adjusted to more accurately exclude ineligible immigrants. The numbers of eligible and participating families shown above include the territories and pregnant women without children, even though these two small groups are excluded from the TRIM model. The numbers shown here implicitly assume that participation rates for the territories and for pregnant women with no other children are the same as for all other eligibles.

Source: DHHS, Administration for Children and Families caseload tabulations, and unpublished data from the TRIM3 microsimulation model.

- In 2000, an estimated 4.3 million families were eligible for TANF cash assistance. This estimate is 1.2 million below the 1998 level and the lowest during the 20-year period for which estimates are available.

Table IND 4b. Number and Percentage of Eligible Households Participating in the Food Stamp Program: Selected Years

Date	Eligible Households (in millions)	Participating Households (in millions)	Participation Rate (percent)
September 76	16.3	5.3	32.6
February 78	14.0	5.3	37.8
August 80	14.0	7.4	52.5
August 82	14.5	7.5	51.5
August 84	14.2	7.3	51.6
August 86	15.3	7.1	46.5
August 88	14.9	7.0	47.1
August 90	14.5	8.0	54.9
August 91	15.6	9.2	59.1
August 92	16.7	10.2	61.6
August 93	17.0	10.9	64.0
August 94 (o)	17.0	11.0	64.6
September 94 (r)	15.3	10.7	69.6
September 95	15.0	10.4	69.2
September 96	15.3	9.9	65.1
September 97	14.7	8.4	57.5
September 98	14.0	7.6	54.2
September 99	13.7	7.3	53.0
September 00	13.5	7.2	53.2

Note: Eligible households estimated from a Mathematica Policy Research, Inc. model that uses CPS data to simulate the Food Stamp Program. Caseload data are from USDA, FNS program operations caseload data. There have been small changes in estimating methodology over time, due to model improvements and revisions to the CPS. Most notably, the model was revised in 1994 to produce more accurate (and lower) estimates of eligible households. The original(o) 1994 estimate and estimates for previous years show higher estimates of eligibles and lower participation rates relative to the revised(r) estimate for 1994 and estimates for subsequent years.

Source: U.S. Department of Agriculture, Food and Nutrition Service, *Trends in Food Stamp Program Participation Rates: 1976 to 2000.*

- The proportion of eligible households who participated in the Food Stamp Program was 53 percent in 2000, essentially unchanged from 1999. Since 1996, food stamp participation rates have fallen from 65 percent to 53 percent, a drop of 12 percentage points.

- In addition, there was a decline in the number of households eligible for the Food Stamp Program, from 15.3 million in September 1994 to just under 13.5 million in September 2000. This decline was driven by new eligibility restrictions on aliens and able-bodied adults without dependent children, growth in the economy, changes in the TANF program, and other factors.

- The significant drop in participating households, from just under 10 million households in September 1996 to 7.2 million households in September 2000, reflects the combined effect of a decline in the eligible population and lower participation rates.

Table IND 4c. Percentage of Eligible Adult Units Participating in the SSI Program, by Type: 1993-2000

	All Adult Units	One-Person Units		Married-Couple Units
		Aged	Disabled	
1993	62.0	57.0	71.0	37.0
1994	65.0	58.4	73.0	43.9
1995	69.1	64.9	74.0	52.2
1996	66.6	60.4	73.5	46.7
1997	71.1	62.7	79.4	49.1
1998	70.7	63.6	77.9	48.1
1999	74.3	65.8	83.3	47.8
2000	75.8	70.9	82.3	49.9

Notes: Participation rates estimated using the TRIM3 microsimulation model, which uses CPS data to simulate SSI eligibility for an average month, by calendar year. There have been small changes in estimating methodology over time, due to model improvements and revisions to the CPS. In particular, the model was revised in 1997 to more accurately exclude ineligible immigrants. Thus the increased participation rate in 1997 is partly due to a revision in estimating methodology. Also note that the figure for married-couple units is based on very small sample sizes–for example, married-couple units were only about 7.5 percent of the eligible adults units and 5.1 percent of the units receiving SSI in an average month in 1998.

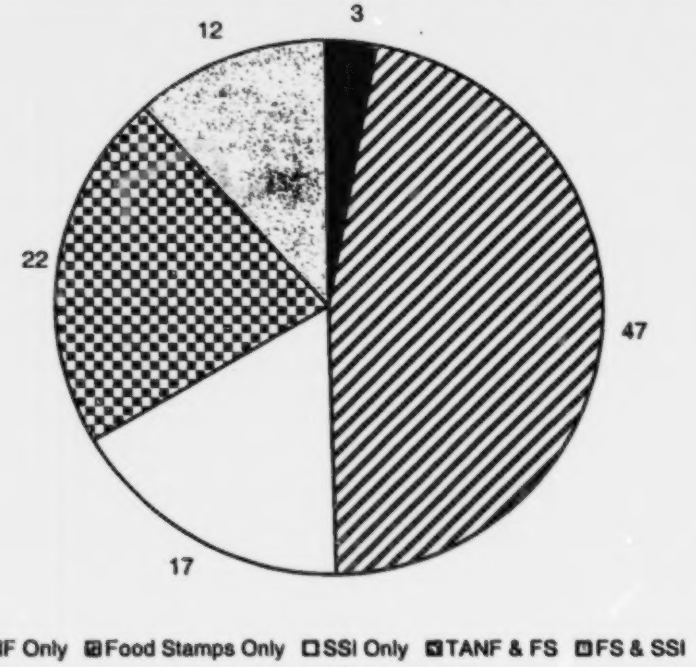
Source: Unpublished data from the TRIM3 microsimulation model.

- In contrast to the declining participation rates for the AFDC/TANF and Food Stamp programs, the participation rate for adult units in the SSI Program has been increasing, from 62 percent in 1993, to nearly 76 percent in 2000. Some of the apparent growth between 1996 and 1997, however, may be due to a revision in estimating methodology, as noted above.

- In 2000, as in past years, disabled adults in one-person units had a higher participation rate (82 percent) than either aged adults in one-person units (71 percent) or adults in married-couple units (50 percent).

INDICATOR 5. MULTIPLE PROGRAM RECEIPT

Figure IND 5. Percentage of Population Receiving Assistance from Multiple Programs (TANF, Food Stamps, & SSI), Among Those Receiving Assistance: 2000



Source: March CPS data, analyzed using the TRIM3 microsimulation model.

- Of the 8 percent of the population in families receiving TANF, food stamps, or SSI benefits in an average month in 2000, about two-thirds (67 percent) received assistance from only one program. Most of these received food stamps or SSI benefits only. Another common pattern of benefit receipt, found in 22 percent of those with any receipt, was TANF and food stamps.

- Children are more likely than other age groups to live in families receiving TANF and/or food stamps. For example, 15 percent of children under six lived in families receiving any public assistance in an average month in 2000, and 5 percent of children under six, lived in families receiving both TANF and food stamps, as shown in Table IND 5a.

- The percentage of individuals receiving assistance from at least one program among AFDC/TANF, food stamps, and SSI in an average month decreased during the mid-to-late 1990s (from 12 percent in 1996 to 8 percent in 2000), as shown in Table IND 5b. The decline was most dramatic for families receiving a combination of AFDC/TANF and food stamps.

Table IND 5a. Percentage of Population Receiving Assistance from Multiple Programs (TANF, Food Stamps, SSI), by Race/Ethnicity and Age: 2000

	Any Receipt	One Program Only			Two Programs	
		TANF	FS	SSI	TANF & FS	FS & SSI
All Persons	8.1	0.2	3.8	1.4	1.7	1.0
Racial/Ethnic Categories						
Non-Hispanic White	5.3	0.1	2.4	1.0	1.0	0.7
Non-Hispanic Black	19.1	0.4	9.9	2.3	4.1	2.4
Hispanic	12.3	0.7	5.2	1.8	3.5	1.0
Age Categories						
Children Ages 0-5	15.1	0.6	7.7	0.7	5.4	0.7
Children Ages 6-10	13.8	0.7	7.4	0.4	4.8	0.4
Children Ages 11-15	11.7	0.5	6.5	0.8	3.4	0.4
Women Ages 16-64	7.3	0.2	3.4	1.1	1.6	1.0
Men Ages 16-64	4.7	0.1	2.3	1.2	0.5	0.6
Adults Age 65 and over	8.2	0.0	1.9	3.9	0.0	2.3

See below for notes and source.

Table IND 5b. Percentage of Population Receiving Assistance from Multiple Programs (AFDC/TANF, Food Stamps, SSI): 1993-2000

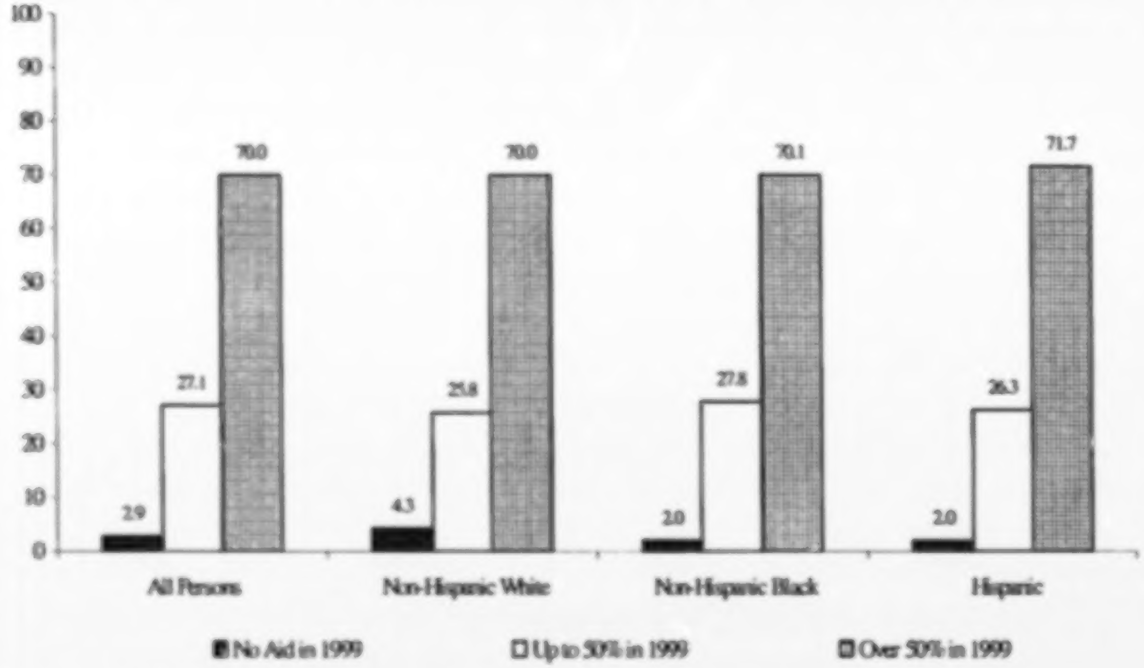
	Any Receipt	One Program Only			Two Programs	
		AFDC/ TANF	FS	SSI	AFDC/TANF & FS	FS & SSI
1993	12.6	0.6	5.2	1.1	4.8	1.0
1994	12.8	0.5	5.3	1.2	4.6	1.1
1995	12.3	0.4	5.0	1.2	4.5	1.1
1996	12.0	0.3	5.3	1.2	4.0	1.1
1997	10.2	0.4	4.3	1.3	3.1	1.0
1998	9.0	0.4	3.9	1.4	2.4	0.9
1999	8.5	0.4	3.8	1.3	2.0	1.0
2000	8.1	0.2	3.8	1.4	1.7	1.0

Note: Categories are mutually exclusive. SSI receipt based on individual receipt; AFDC/TANF and food stamp receipt based on full recipient unit. In practice, individuals do not tend to receive both AFDC/TANF and SSI; hence, no individual receives benefits from all three programs. The percentage of individuals receiving assistance from any one program in an average month (shown here) is lower than the percentage residing in families receiving assistance over the course of a year (shown in Table SUM 1 in Chapter I and Table IND 1a in Chapter II).

Source: March CPS data, analyzed using the TRIM3 microsimulation model.

INDICATOR 6. DEPENDENCE TRANSITIONS

Figure IND 6. Dependency Status in 1999 of Persons Who Received More than 50 Percent of Income from Means-Tested Assistance in 1998, by Race/Ethnicity



Source: Unpublished data from the SIPP, 1996 panel.

- Recipients of means-tested assistance were more likely to move out of dependency in the late 1990s than in the early 1990s. Three-tenths (30 percent) of recipients who received more than 50 percent of their total income from means-tested assistance programs in 1998 transitioned out of this dependency status in 1999. The comparable transition rate was only 20 percent between 1993 and 1994.

- Of recipients who received more than 50 percent of their total income from AFDC/TANF, food stamps, and/or SSI in 1998, there was little difference among racial and ethnic categories in dependency transitions between 1998 and 1999. Past SIPP panels (data not shown) had found more movement among non-Hispanic whites than among non-Hispanic blacks.

- As shown in Table IND 6a, a slightly larger percentage of women who received more than half of their total income from means-tested assistance programs in 1998 remained "dependent" in 1999 compared to the same group of men (71 percent compared to 66 percent).

Table IND 6a. Dependency Status in 1999 of Persons Who Received More than 50 Percent of Income from Means-Tested Assistance in 1998, by Race/Ethnicity and Age

Individuals Receiving more than 50% of Income from Assistance in 1998	Total (000's)	Percentage of Persons Receiving No Aid in 1999	Up to 50% in 1999	Over 50% in 1999
All Persons	**8,163**	**2.9**	**27.1**	**70.0**
Racial/Ethnic Categories				
Non-Hispanic White	2,657	4.3	25.8	70.0
Non-Hispanic Black	2,925	2.0	27.8	70.1
Hispanic	1,895	2.0	26.3	71.7
Age Categories				
Children Ages 0-5	1,271	3.6	29.7	66.6
Children Ages 6-10	1,056	2.1	27.4	70.6
Children Ages 11-15	998	2.9	29.0	68.1
Women Ages 16-64	2,847	3.7	25.5	70.8
Men Ages 16-64	1,337	2.7	31.6	65.7
Adults Age 65 and over	654	0.0	16.4	83.6

Note: Means-tested assistance is defined as AFDC/TANF, food stamps, and SSI. While only affecting a small number of cases, general assistance income is included within AFDC/TANF income. Individuals are defined as dependent if they reside in families with more than 50 percent of total annual family income from these means-tested programs. Because full calendar year data for 1997-1998 were not available for all SIPP respondents, some transitions were based on twelve-month periods that did not correspond exactly to calendar years.

Source: Unpublished data from the SIPP, 1996 panel.

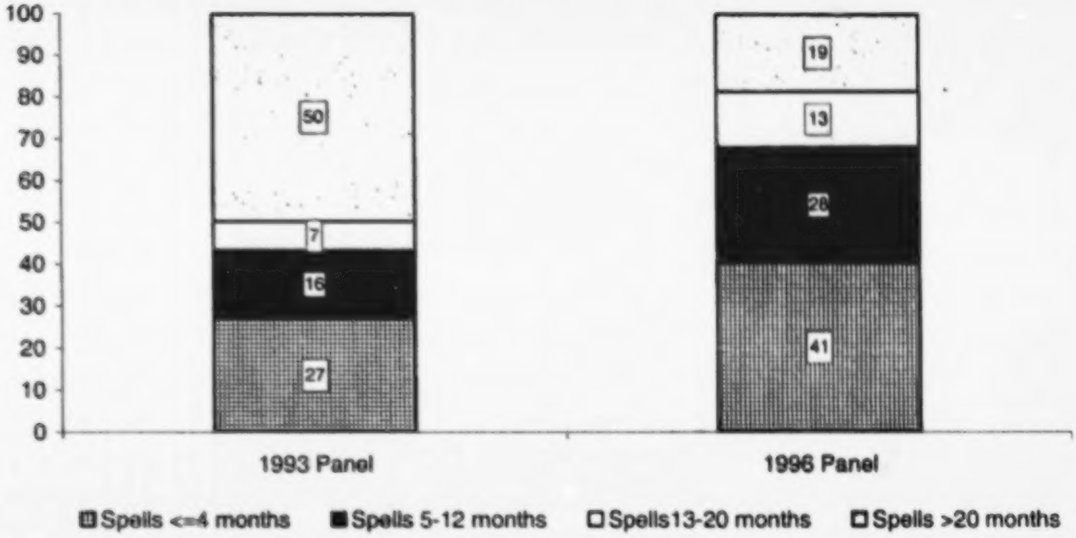
Table IND 6b. Dependency Status for All Persons Who Received More than 50 percent of Income from Means-Tested Assistance in Previous Year

	Total (000's)	Percentage of Persons Receiving No Aid in Second Year	Up to 50% in Second Year	Over 50% in Second Year
Transitions from:				
1993 to 1994	14,810	1.6	18.6	79.8
1994 to 1995	13,986	2.7	18.8	78.5
1997 to 1998	9,672	3.1	28.8	68.1
1998 to 1999	8,163	2.9	27.1	70.0

Source: Unpublished data from the SIPP, 1993 and 1996 panels

INDICATOR 7. DEPENDENCE SPELL DURATION

Figure IND 7. Percentage of AFDC/TANF Spells of Individuals in Families with No Labor Force Participants for Individuals Entering Programs During the 1993 and 1996 SIPP Panels, by Length of Spell



Source: Unpublished data from the SIPP, 1993 and 1996 panels.

- Over two-fifths (41 percent) of AFDC/TANF spells for individuals in families with no one in the labor force ended within four months and over two-thirds (68 percent) ended within a year. These spells are measured for individuals entering AFDC/TANF in 1996 to 1998, during early implementation of the TANF program.

- Spells were much longer for families entering AFDC in 1993 to 1995, as shown in Figure IND 7 and Table IND 7b. Half (50 percent) of AFDC/TANF spells for individuals in families where no one participated in the labor force lasted more than 20 months in the 1993 SIPP panel, compared with only 19 percent of that length in the 1996 SIPP panel.

- As shown in Table IND 7a, the percentage of AFDC/TANF spells ending in four months or less was similar across racial/ethnic categories, ranging from 38 percent among non-Hispanic whites to 44 percent among non-Hispanic blacks.

- Spells shown in Figure IND 7 are limited to spells of recipients in families without any labor force participation. Spell lengths are slightly shorter in Figure IND 8, which shows spells for *all* recipients, including those in families with labor force participants. For example, whereas 81 percent of spells shown in Figure IND 7 end in 20 months or less, 87 percent of all AFDC/TANF spells last 20 months or less, as shown in Figure IND 8.

Table IND 7a. Percentage of AFDC/TANF Spells of Individuals in Families with No Labor Force Participants for Individuals Entering Programs During the 1996 SIPP Panel, by Length of Spell, Race/Ethnicity, and Age

	Spells <=4 months	Spells 5-12 months	Spells 13-20 months	Spells >20 months
All Persons	**40.5**	**27.5**	**13.3**	**18.7**
Racial/Ethnic Categories				
Non-Hispanic White	38.4	35.8	N/A	N/A
Non-Hispanic Black	44.1	22.4	11.5	21.9
Hispanic	39.6	23.2	N/A	N/A
Age Categories				
Ages 0-15 Years	38.9	25.0	12.9	23.2
Ages 16-64 Years	42.2	31.4	N/A	N/A

Note: Spell length categories are not mutually exclusive. Spells separated by only 1 month are not considered separate spells. Due to the length of the observation period, actual spell lengths for spells that lasted more than 20 months cannot be observed. AFDC spells are defined as those spells starting during the 1996 SIPP panel for individuals in families with no labor force participants. For certain racial/ethnic and age categories, data are not available (N/A) due to insufficient sample size.

Source: Unpublished data from the SIPP, 1996 panel.

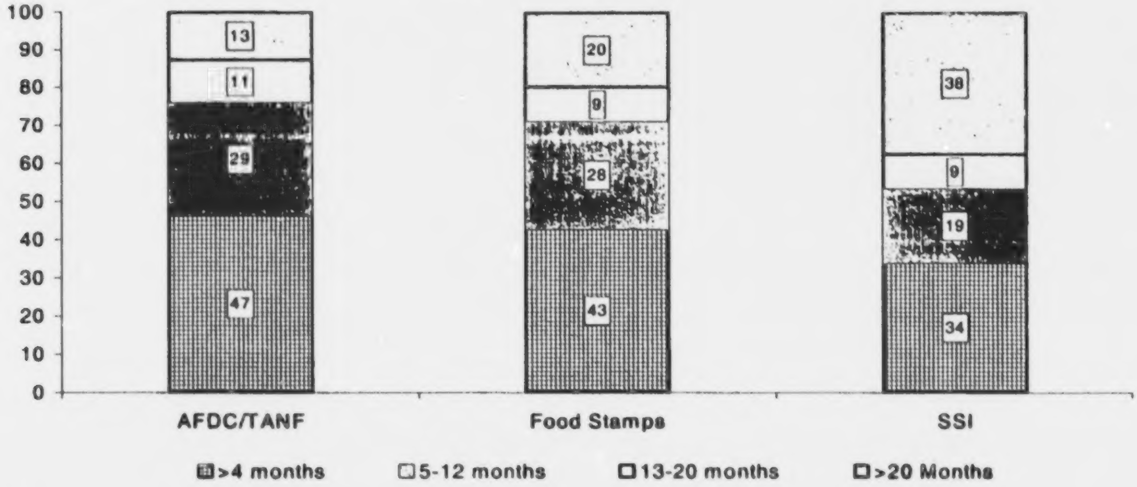
Table Ind 7b. Percentage of AFDC/TANF Spells of Individuals in Families with No Labor Force Participants for Individuals Entering Programs During the 1993 and 1996 SIPP Panels

	Spells <=4 months	Spells 5-12 months	Spells 13-20 months	Spells >20 months
1993 Panel All Persons	27.2	16.2	6.9	49.7
1996 Panel All Persons	40.5	27.5	13.3	18.7

Source: Unpublished data from the SIPP, 1993 and 1996 panels.

INDICATOR 8. PROGRAM SPELL DURATION

Figure IND 8. Percentage of AFDC/TANF, Food Stamp, and SSI Spells for Individuals Entering Programs During the 1996 SIPP Panel, by Length of Spell



Source: Unpublished data from the SIPP, 1993 and 1996 Panels.

- Between the years 1996 and 1998, short spells lasting 4 months or less accounted for about 47 percent of AFDC/TANF spells, 43 percent of food stamp spells, and 34 percent of SSI spells.

- Approximately three-fourths of all AFDC/TANF and food stamp spells lasted one year or less (76 percent and 71 percent, respectively). In contrast, only 53 percent of SSI spells ended within one year.

- As shown in Table IND 8a, for TANF/AFDC spells, a smaller percentage of long spells (lasting more than 20 months) occurred among non-Hispanic whites compared to non-Hispanic blacks and Hispanics.

- Spells of welfare receipt were shorter in the second half of the 1990s than in the early 1990s, as shown in Table IND 8b. For example, only 13 percent of AFDC/TANF spells for individuals entering AFDC/TANF in 1996 to 1998 lasted 20 months or longer, compared with 34 percent of AFDC spells beginning between 1992 and 1994.

- Short spells are less common among recipients in families without labor force participants, as shown previously in Figure and Table IND 7.

Table IND 8a. Percentage of AFDC/TANF, Food Stamp and SSI Spells for Individuals Entering Programs During the 1996 SIPP Panel, by Length of Spell, Race/Ethnicity, and Age

		Spells <=4 months	Spells 5-12 months	Spells 13-20 months	Spells >20 months
AFDC/TANF	**All Recipients**	**46.6**	**29.2**	**11.5**	**12.7**
	Racial/Ethnic Categories				
	Non-Hispanic White	47.4	33.0	10.7	8.9
	Non-Hispanic Black	45.2	28.3	13.6	12.9
	Hispanic	46.3	25.4	10.5	17.9
	Age Categories				
	Ages 0-5 Years	41.8	33.2	10.8	14.2
	Ages 6 to 10 Years	49.4	24.6	9.0	17.0
	Ages 11 to 15 Years	42.5	25.6	N/A	N/A
	Ages 16 to 64 Years	48.6	30.7	12.0	8.7
	65 Years and Older	N/A	N/A	N/A	N/A
FOOD STAMPS	**All Recipients**	**43.1**	**27.7**	**9.3**	**19.8**
	Racial/Ethnic Categories				
	Non-Hispanic White	46.5	27.5	9.4	16.7
	Non-Hispanic Black	38.6	28.5	9.1	23.9
	Hispanic	41.7	28.5	8.1	21.8
	Age Categories				
	Ages 0 to 5 years	36.5	31.4	8.6	23.5
	Ages 6 to 10 years	40.6	27.3	9.1	22.9
	Ages 11-15	40.4	30.3	10.0	19.3
	Ages 16-64	46.2	26.7	9.6	17.6
	65 Years and Older	31.7	26.8	6.9	34.7
SSI	**All Recipients**	**34.1**	**19.2**	**9.1**	**37.6**
	Racial/Ethnic Categories				
	Non-Hispanic White	36.8	18.7	7.8	36.7
	Non-Hispanic Black	34.8	19.7	9.5	36.0
	Hispanic	27.1	22.4	9.8	40.7
	Age Categories				
	Ages 0-10	N/A	N/A	N/A	N/A
	Ages 11-15	30.9	N/A	N/A	N/A
	Ages 16-64	37.1	20.1	8.6	34.2
	65 Years and Older	22.1	16.7	11.9	49.3

Note: Spell length categories are not mutually exclusive. Spells separated by only 1 month are not considered separate spells. Due to the length of the observation period, actual spell lengths for spells that lasted more than 20 months cannot be observed. AFDC/TANF spells are defined as those starting during the 1996 SIPP Panel. For certain age and racial/ethnic categories, data are not available (N/A) because of insufficient sample size.

Source: Unpublished data from the SIPP, 1996 Panel.

Table IND 8b. Percentage of AFDC/TANF, Food Stamp and SSI Spells for Individuals Entering Programs During the 1992, 1993, and 1996 SIPP Panels

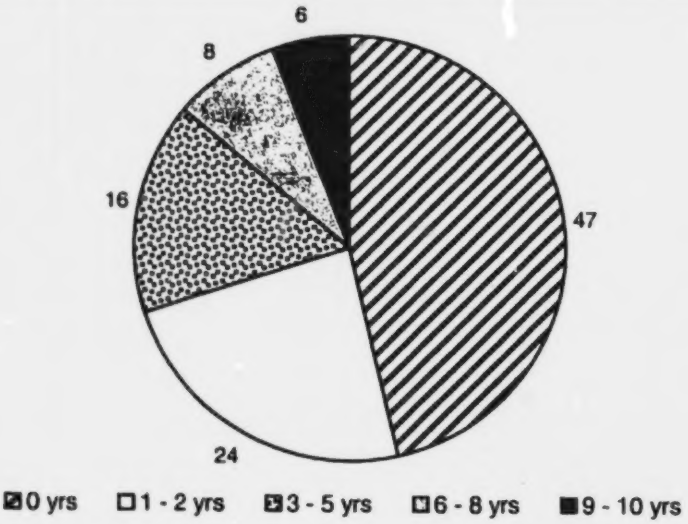
	Spells <=4 months	Spells 5-12 months	Spells 13-20 months	Spells >20 months
1992 Panel				
AFDC	30.4	24.7	10.5	34.4
Food Stamps	33.4	24.9	10.2	31.5
SSI	25.7	8.9	4.8	60.6
1993 Panel				
AFDC	30.7	25.4	12.5	31.4
Food Stamps	33.1	26.8	10.1	30.0
SSI	24.0	7.9	4.7	63.4
1996 Panel				
AFDC/TANF	46.6	29.2	11.5	12.7
Food Stamps	43.1	27.7	9.3	19.8
SSI	34.1	19.2	9.1	37.6

Source: Unpublished data from the SIPP; 1992, 1993, and 1996 Panels.

The remaining three indicators in Chapter II present data over time spans as long as a decade and so are updated less frequently than the first eight indicators. Indicators 9, 10, and 11 are unchanged from last year's report and are included here for the convenience of those who do not have ready access to past reports.

INDICATOR 9. LONG-TERM DEPENDENCY

Figure IND 9. Percentage of AFDC Recipients with More than 50 Percent of Income from AFDC and Food Stamps Between 1987 and 1996, by Years of Dependency



Source: Unpublished data from the PSID, 1988-1997.

- Almost half (47 percent) of all persons who received AFDC at some point in the ten-year period ending in 1996 were not dependent on welfare in any of these years. Specifically, they did not receive more than 50 percent of their income from AFDC and/or food stamps in any of the ten years (SSI receipt is excluded from this measure of dependency). This was also true for recipients in the two earlier ten-year time periods, as shown in Table IND 9.

- About 14 percent of recipients in the most recent ten-year period were dependent (received more than 50 percent of annual income from AFDC and food stamps) for more than five years between 1987 and 1996. The 14 percent of recipients who were dependent for six or more years represent 1.7 percent of the total population.

- As shown in Table IND 9, young children (ages 0-5 in 1987) are more likely to experience long-term dependency than other individuals. About one-fourth (26 percent) of such children receiving AFDC at least once between 1987 and 1996 were dependent on AFDC and food stamp income for six or more years. Another 45 percent were dependent for one to five years, and only 28 percent were not dependent in any year.

Table IND 9. Percentage of AFDC Recipients with More than 50 Percent of Income from AFDC and Food Stamps Across Three Ten-Year Time Periods, by Years of Dependency, Race, and Age

Between 1967 and 1976:

	All Recipients			Child Recipients 0-5 in 1967		
Years Dependent:	All	Black	Non-Black	All	Black	Non-Black
0 Years	47.9	33.0	56.2	37.1	25.0	44.3
1-2 Years	23.2	25.6	21.9	26.6	23.6	28.4
3-5 Years	17.5	22.3	14.8	22.2	27.0	19.3
6-8 Years	8.0	12.3	5.7	9.4	15.5	5.8
9-10 Years	3.3	6.8	1.4	4.7	8.9	2.2

Between 1977 and 1986:

	All Recipients			Child Recipients 0-5 in 1977		
Years Dependent:	All	Black	Non-Black	All	Black	Non-Black
0 Years	49.5	38.8	56.2	32.0	18.9	40
1-2 Years	23.7	24.0	23.5	26.6	25.1	27.6
3-5 Years	12.4	15.4	10.5	14.1	19.4	10.9
6-8 Years	9.0	12.0	7.1	15.0	15.0	15.0
9-10 Years	5.5	9.9	2.8	12.2	21.7	6.5

Between 1987 and 1996:

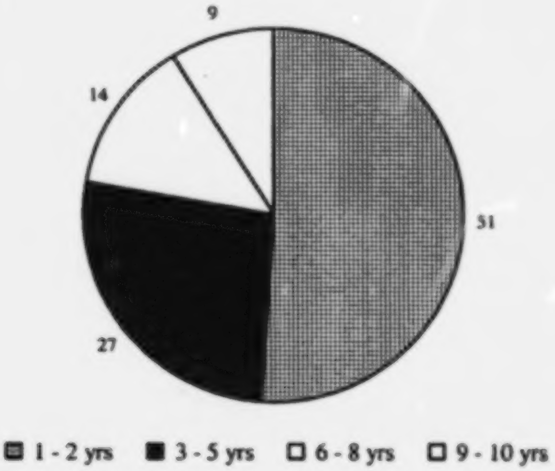
	All Recipients			Child Recipients 0-5 in 1987		
Years Dependent:	All	Black	Non-Black	All	Black	Non-Black
0 Years	46.5	35.5	54.5	28.2	18.8	37.9
1-2 Years	23.6	22.7	24.2	22.4	21.1	23.8
3-5 Years	16.2	17.9	14.9	23.0	21.8	24.2
6-8 Years	8.0	14.1	3.5	15.3	23.0	7.3
9-10 Years	5.8	9.8	2.9	11.0	15.3	6.8

Note: The base for the percentages consists of individuals receiving at least $1 of AFDC in any year in the ten-year period. Footnotes in previous reports erroneously defined the base for these percentages as individuals receiving at least $1 of AFDC in the first year of the ten-year period. The current table is based on the same methodology used to compute estimates for earlier reports. Child recipients are defined by age in the first year of the 10-year period. This measures years of dependency over the specified ten-year time periods and does not take into account years of dependency that may have occurred before or after the ten-year period.

Source: Unpublished data from the PSID 1968-93 final release files and 1994-1997 unreleased preliminary data as of January, 2002.

INDICATOR 10. LONG-TERM RECEIPT

Figure IND 10. Percentage of AFDC Recipients, by Years of Receipt Between 1987 and 1996



Source: Unpublished data from the PSID, 1988-1997.

- IND 10, which analyzes recipiency over a ten-year period using data from the Panel Study of Income Dynamics (PSID), is only periodically updated. This figure is unchanged from last year's report and is included to assist those without previous reports.

- Among all persons receiving AFDC at some point in the ten-year period ending in 1996, about half (51 percent) received assistance for only one or two of these years. About one quarter (27 percent) received AFDC for three to five years, and close to one quarter (22 percent) received AFDC for more than five years.

- A larger percentage of child recipients experienced long-term receipt and a smaller percentage experienced short-term receipt in all three time periods relative to the percentages for all recipients, as shown in Table IND 10.

- The percentage of AFDC recipients with long-term assistance (at least six years) is somewhat lower in the most recent ten-year time period—22 percent—than in the earlier two time periods (28 and 26 percent).

- Whereas nearly one-quarter (22 percent) of recipients received at least some AFDC for six or more years between 1987 and 1996 (as shown in Figure IND 10), only 14 percent of recipients received more than 50 percent of their income from AFDC and food stamps for six or more years over the same time period (as previously shown in Figure IND 9).

Table IND 10: Percentage of AFDC Recipients Across Three Ten-Year Time Periods by Years of Receipt, Race, and Age

Between 1967 and 1976:

	All Recipients			Child Recipients 0-5 in 1967		
Years received AFDC:	All	Black	Non-Black	All	Black	Non-Black
1-2 Years	46.8	32.2	54.9	39.6	24.6	48.6
3-5 Years	27.1	32.4	24.1	30.7	38.5	26.0
6-8 Years	17.9	22.3	15.4	18.3	19.9	17.3
9-10 Years	8.2	13.2	5.5	11.4	17.0	8.0

Between 1977 and 1986:

	All Recipients			Child Recipients 0-5 in 1977		
Years received AFDC:	All	Black	Non-Black	All	Black	Non-Black
1-2 Years	46.1	32.1	54.9	35.5	17.0	46.7
3-5 Years	26.0	29.3	24.0	23.1	31.5	18.0
6-8 Years	17.4	22.9	13.9	19.7	22.7	17.8
9-10 Years	10.5	15.7	7.3	21.7	28.8	17.4

Between 1987 and 1996:

	All Recipients			Child Recipients 0-5 in 1987		
Years received AFDC:	All	Black	Non-Black	All	Black	Non-Black
1-2 Years	51.0	39.2	59.7	34.6	18.8	51.1
3-5 Years	26.6	27.6	25.9	29.6	33.5	25.6
6-8 Years	13.5	18.2	10.0	20.6	25.2	15.9
9-10 Years	8.8	15.0	4.3	15.1	22.5	7.4

Note: As in Table IND 9, the base for the percentages consists of individuals receiving at least $1 of AFDC in any year in the ten-year period. Footnotes in previous reports erroneously defined the base for these percentages as individuals receiving at least $1 of AFDC in the first year of the ten-year period. The current table is based on the same methodology used to compute estimates for earlier reports. Child recipients are defined by age in the first year of the 10-year period. This measures years of recipiency over the specified ten-year time periods and does not take into account years of recipiency that may have occurred before or after the ten-year period.

Source: Unpublished data from the PSID 1968-93 final release files and 1994-1997 unreleased preliminary data as of January, 2002.

INDICATOR 11. EVENTS ASSOCIATED WITH THE BEGINNING AND ENDING OF PROGRAM SPELLS

Table IND 11a. Percentage of First AFDC Spell Beginnings Associated with Specific Events: Selected Periods

	Spell Began 1973-1979	Spell Began 1980-1985	Spell Began 1986-1991
First birth to an unmarried, non-cohabiting mother	27.9	20.9	22.2
First birth to a married and/or cohabiting mother	13.3	17.4	11.3
Second (or higher order) birth	19.9	18.2	15.2
Divorce/separation	19.7	28.1	17.3
Mother's work hours decreased by >500 hours per year	26.3	18.8	26.2
Other adults' work hours decreased by >500 hours, but no change in family structure	34.8	27.9	21.6
Other adults' work hours decreased by >500 hours, and a change in family structure	4.7	7.9	11.4
Householder acquired work limitation	18.1	15.6	23.5
Other transfer income dropped by >$1,000 (in 1996$)	4.5	6.5	4.1
Changed state of residence	4.5	10.6	5.4

Note: Events are defined to be neither mutually exclusive nor exhaustive. Work limitation is defined as a self-reported physical or nervous condition that limits the type of work or the amount of work the respondent can do.

Source: Unpublished data from the PSID, 1974–1992.

- Between 1986 and 1991, the most common events associated with the beginnings of a first AFDC spell were work-related: a decrease in mother's work hours (26 percent), a decrease in work hours of another adult (22 percent), and acquisition of a work limitation (24 percent).

- The percentage of first AFDC episode beginnings associated with a householder acquiring a work limitation was higher for spells that began between 1986 and 1991 (24 percent) than for spells that began between 1973 and 1979 (16 percent) or 1980 to 1985 (18 percent).

- Between 1973 and 1979, first births to an unmarried, non-cohabiting mother were associated with 28 percent of first AFDC episodes. In contrast, such births were associated with 21 percent of first spells beginning between 1980 and 1985, and 22 percent of spells beginning between 1986 and 1991.

Table IND 11b. Percentage of First AFDC Spell Endings Associated with Specific Events: Selected Periods

	Spell Ended 1973-1979	Spell Ended 1980-1985	Spell Ended 1986-1991
Mother married or acquired cohabitor	16.1	17.1	21.7
Children under 18 no longer present	4.4	4.1	4.8
Mother's work hours increased by more than 500 hours per year	15.4	25.0	27.1
Other adults' work hours increased by more than 500 hours, but no change in family structure	21.8	16.8	16.7
Other adults' work hours increased by more than 500 hours, and a change in family structure	6.5	10.3	5.8
Householder no longer reports work limitation	13.0	19.2	15.8
Other transfer income increased by $1,000 or more (in 1996$)	5.0	5.5	5.8
Changed state of residence	5.9	11.0	5.9

Note: Events are defined to be neither mutually exclusive nor exhaustive. Work limitation is defined as a self-reported physical or nervous condition that limits the type of work or the amount of work the respondent can do.

Source: Unpublished data from the PSID, 1974-1992.

- During the 1986 to 1991 time period, over one-fourth (27 percent) of first AFDC spell endings were associated with increases in mother's work hours. The corresponding percentage was smaller for spells ending between 1973 and 1979 (15 percent).

- In the period between 1973 and 1979, a greater percentage of spell endings was associated with an increase in work hours for other adults (22 percent) as compared to mothers (15 percent). In the more recent time period (1986 to 1991), a greater percentage of spell endings was associated with an increase in mother's work hours (27 percent) compared to other adults (17 percent).

Chapter III. Predictors and Risk Factors Associated with Welfare Receipt

The Welfare Indicators Act challenges the U.S. Department of Health and Human Services to identify and set forth not only indicators of welfare dependence and welfare duration but also predictors and causes of welfare receipt. Prior to the Act, welfare research had not established clear and definitive causes of welfare dependence. However, research has identified a number of risk factors associated with welfare utilization. For purposes of this report, the terms "predictors" and "risk factors" are used somewhat interchangeably.

Whereas the Advisory Board established under the Welfare Indicators Act recommended narrowing the focus of dependence indicators, it recommended an expansive view toward predictors and risk factors. The range of possible predictors is extremely wide, and until they are measured and analyzed over time as the PRWORA changes continue to be implemented, their value will not be fully known. Some of the "predictors" included in this chapter may turn out to be simply correlates of welfare receipt, some may have a causal relationship, some may be consequences, and some may have predictive value.

For purposes of this report, the predictors/risk factors included in this chapter are grouped into three categories: economic security risk factors, employment-related risk factors, and risk factors associated with non-marital childbearing.

Economic Security Risk Factors (ECON). The first group includes nine measures associated with economic security. This group encompasses six measures of poverty, as well as measures of child support receipt, food insecurity, and lack of health insurance. The tables and figures illustrating measures of economic security are labeled with the prefix ECON throughout this chapter.

Poverty measures are important predictors of dependence, because families with fewer economic resources are more likely to be dependent on means-tested assistance. In addition, poverty and other measures of deprivation, such as food insecurity, are important to assess in conjunction with the measures of dependence outlined in Chapter II.

Reductions in caseloads and dependence can reduce poverty, to the extent that such reductions are associated with greater work activity and higher economic resources for former welfare families. However, reductions in welfare caseloads can increase poverty and other deprivation measures, to the extent that former welfare families are left with fewer economic resources.

Several aspects of poverty are examined in this chapter. Those that can be updated annually using the Current Population Survey include: overall poverty rates (ECON 1); the percentage of individuals in deep poverty (ECON 2), and poverty rates using alternative definitions of income (ECON 3 and 4). The chapter also includes data on the length of poverty episodes or spells (ECON 5); and the cumulative time spent in poverty over a decade (ECON 6).

This chapter also includes data on child support collections (ECON 7), which can play an important role in reducing dependence on government assistance and thus serve as a predictor of dependence. Household food insecurity (ECON 8) is an important measure of deprivation that, although correlated with general income poverty, provides an alternative measure of tracking the incidence of material hardship and need, and how it may change over time. Finally, health insurance (ECON 9) is tied to the income level of the family, and may be a precursor to future health problems among adults and children.

Employment and Work-Related Risk Factors (WORK). The second grouping, labeled with the WORK prefix, includes seven factors related to employment and barriers to employment. These measures include data on overall labor force attachment and the employment and earnings for low-skilled workers, as well as data on barriers to work. The latter category includes incidence of adult and child disabilities, adult substance abuse, and levels of educational attainment and school drop-out rates.

Employment and earnings provide many families with an escape from dependence. It is important, therefore, to look both at overall labor force attachment (WORK 1), and at employment and earnings levels for those with low education levels (WORK 2 and WORK 3). The economic condition of the low-skill labor market is a key predictor of the ability of young adult men and women to support families without receiving means-tested assistance.

The next two measures in this group (WORK 4 and WORK 5) focus on educational attainment. Individuals with less than a high school education have the lowest amount of human capital and are at the greatest risk of becoming poor, despite their work effort.

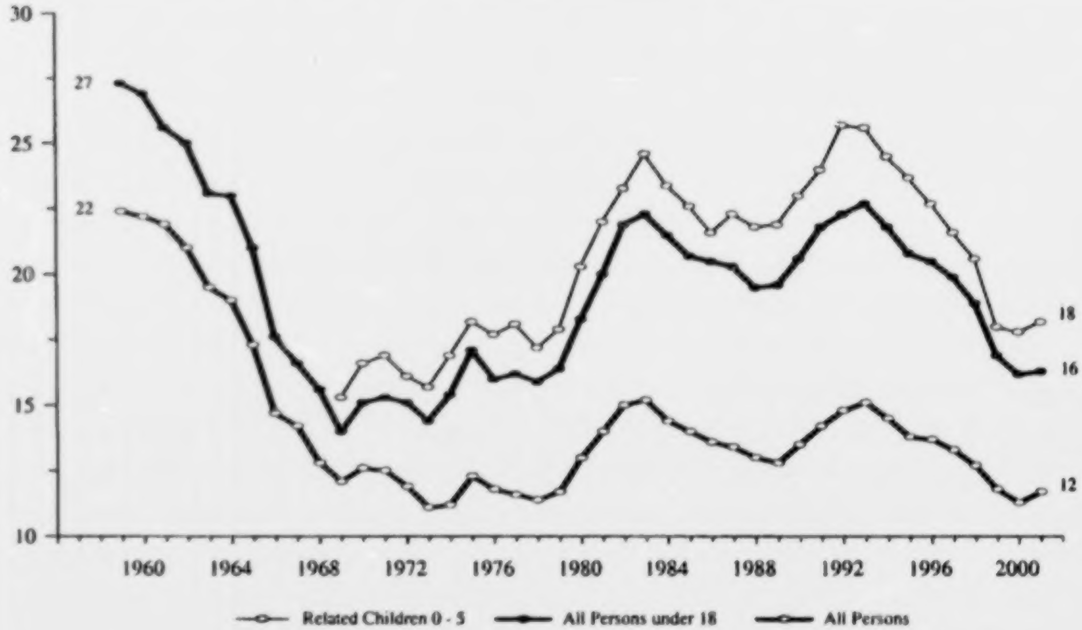
Measures of barriers to employment provide indicators of potential work limitations, which may be predictors of greater dependence. Substance abuse (WORK 6) and disabling conditions among children and adults (WORK 7) all have the potential of limiting the ability of the adults in the household to work. In addition, debilitating health conditions and high medical expenditures can place a strain on a family's economic resources.

Non-Marital Birth Risk Factors (BIRTH). The final group of risk factors addresses out-of-wedlock childbearing. The tables and figures in this subsection are labeled with the BIRTH prefix. This category includes long-term time trends in births to unmarried women (BIRTH 1), births to unmarried teens (BIRTH 2 and BIRTH 3), and children living in families with never-married parents (BIRTH 4). Children living in families with never-married mothers are at high risk of dependence, and it is therefore important to track changes in the size of this vulnerable population.

As noted above, the predictors/risk factors included in this chapter do not represent an exhaustive list of measures. They are merely a sampling of available data that address in some way the question of how a family is faring on the scale of deprivation and well-being. Such questions are a necessary part of the dependence discussion as researchers assess the effects of welfare reform.

ECONOMIC SECURITY RISK FACTOR 1. POVERTY RATES

Figure ECON 1. Percentage of Persons in Poverty, by Age: 1959-2001



Source: U.S. Bureau of the Census, "Poverty in the United States: 2001," *Current Population Reports*, Series P60-219 and data published online at http://www.census.gov/hhes/www/poverty.html.

- Poverty has declined substantially since enactment of welfare reform in 1996. Fewer than twelve percent (11.7) of all persons lived in poverty in 2001, compared to 13.7 percent in 1996. From 2000 to 2001, there was a small increase in the overall poverty rate.
- Children also experienced a considerable decline in poverty from 20.5 percent in 1996 to 16.3 percent in 2001. Children continue, however, to have higher poverty rates than the overall population. For example, in 2001, the poverty rate for related children ages 0 to 5 was just over 18 percent, compared to less than 12 percent for the overall population.
- The gap between black and white poverty rates was at an historic low of less than 13 percentage points in 2001; the gap has narrowed by well over a third since the early 1990s, when it exceeded 21 percentage points. The poverty rate among Hispanics declined to 21 percent in 2001, the lowest level recorded, as shown in Table ECON 1.
- The poverty rate for the elderly (persons ages 65 and over) reached historic lows of less than 10 percent in 1999 and 2000 before edging up to 10.1 percent in 2001. This was a lower poverty rate than the rate for children (16 percent) and equal to that of adults ages 18-64.

Table ECON 1. Percentage of Persons in Poverty, by Race and Age: Selected Years

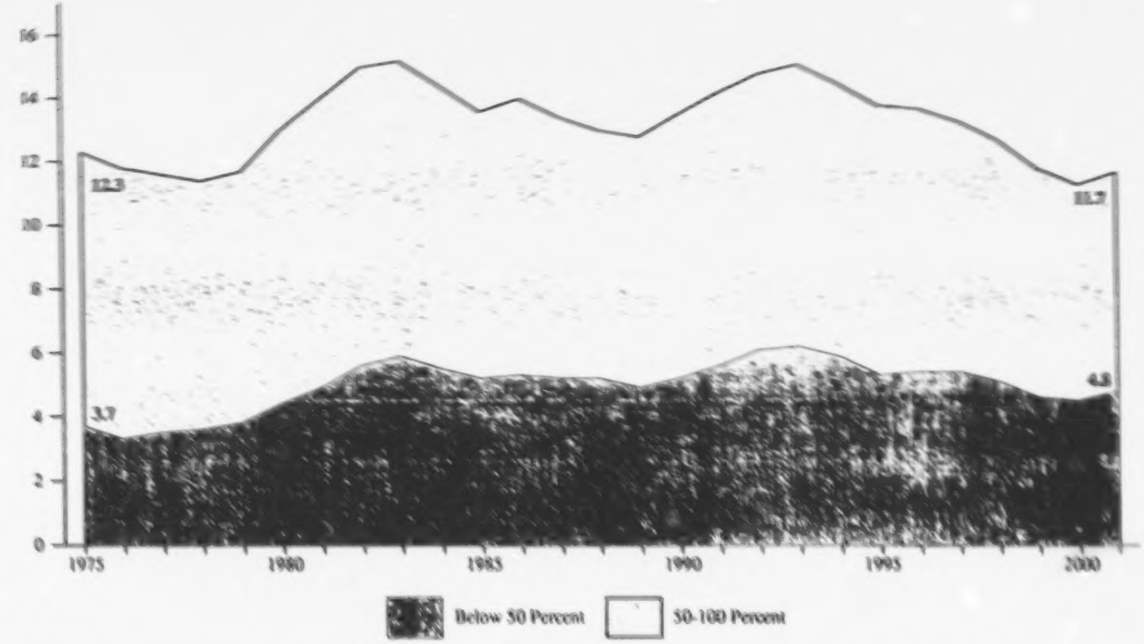
Calendar	Related Children		All Persons						Hispanic
Year	Ages 0-5	Ages 6-17	Total	Under 18	18 to 64	65 & over	White	Black	Origin
1959	N/A	N/A	22.4	27.3	17.0	35.2	18.1	55.1	N/A
1963	N/A	N/A	19.5	23.1	N/A	N/A	15.3	N/A	N/A
1966	N/A	N/A	14.7	17.6	10.5	28.5	11.3	41.8	N/A
1969	15.3	13.1	12.1	14.0	8.7	25.3	9.5	32.2	N/A
1973	15.7	13.6	11.1	14.4	8.3	16.3	8.4	31.4	21.9
1976	17.7	15.1	11.8	16.0	9.0	15.0	9.1	31.1	24.7
1979	17.9	15.1	11.7	16.4	8.9	15.2	9.0	31.0	21.8
1980	20.3	16.8	13.0	18.3	10.1	15.7	10.2	32.5	25.7
1981	22.0	18.4	14.0	20.0	11.1	15.3	11.1	34.2	26.5
1982	23.3	20.4	15.0	21.9	12.0	14.6	12.0	35.6	29.9
1983	24.6	20.4	15.2	22.3	12.4	13.8	12.1	35.7	28.0
1984	23.4	19.7	14.4	21.5	11.7	12.4	11.5	33.8	28.4
1985	22.6	18.8	14.0	20.7	11.3	12.6	11.4	31.3	29.0
1986	21.6	18.6	13.6	20.5	10.8	12.4	11.0	31.1	27.3
1987	22.3	18.3	13.4	20.3	10.6	12.5	10.4	32.4	28.0
1988	21.8	17.5	13.0	19.5	10.5	12.0	10.1	31.3	26.7
1989	21.9	17.4	12.8	19.6	10.2	11.4	10.0	30.7	26.2
1990	23.0	18.2	13.5	20.6	10.7	12.2	10.7	31.9	28.1
1991	24.0	19.5	14.2	21.8	11.4	12.4	11.3	32.7	28.7
1992	25.7	19.4	14.8	22.3	11.9	12.9	11.9	33.4	29.6
1993	25.6	20.0	15.1	22.7	12.4	12.2	12.2	33.1	30.6
1994	24.5	19.5	14.5	21.8	11.9	11.7	11.7	30.6	30.7
1995	23.7	18.3	13.8	20.8	11.4	10.5	11.2	29.3	30.3
1996	22.7	18.3	13.7	20.5	11.4	10.8	11.2	28.4	29.4
1997	21.6	18.0	13.3	19.9	10.9	10.5	11.0	26.5	27.1
1998	20.6	17.1	12.7	18.9	10.5	10.5	10.5	26.1	25.6
1999	18.0	15.5	11.8	16.9	10.0	9.7	9.8	23.6	22.8
2000	17.8	14.7	11.3	16.2	9.6	9.9	9.5	22.5	21.5
2001	18.2	14.6	11.7	16.3	10.1	10.1	9.9	22.7	21.4

Notes: Race figures include Hispanic persons in this chart. Persons of Hispanic origin may be of any race. All persons under 18 include related children (own children, including stepchildren and adopted children, plus all other children in the household who are related to the householder by birth, marriage, or adoption), unrelated individuals under 18 (persons who are not living with any relatives), and householders or spouses under age 18.

Source: U.S. Bureau of the Census, "Poverty in the United States: 2001," *Current Population Reports*, Series P60-219 and data published online at http://www.census.gov/hhes/www/poverty.html.

ECONOMIC SECURITY RISK FACTOR 2. DEEP POVERTY RATES

Figure ECON 2. Percentage of Total Population Below 50 and 100 Percent of Poverty Level: 1975-2001



Source: U.S. Bureau of the Census, "Poverty in the United States: 2001," *Current Population Reports*, Series P60-219 and unpublished tables available online at http://www.census.gov/hhes/www/poverty.html.

- The percentage of the population in "deep poverty" (with incomes below 50 percent of the federal poverty level) decreased from 5.4 percent in 1996 to 4.8 percent in 2001. From 2000 to 2001 there was a small increase in the "deep poverty" rate.

- In general, the percentage of the population with incomes below 50 percent of the poverty threshold has followed a pattern that reflects the trend in the overall poverty rate, as shown in Figure ECON 2. The percentage of people below 50 percent of poverty rose in the late 1970s and early 1980s, but then, after falling slightly, rose to a second peak in 1993. The overall poverty rate followed a somewhat similar pattern with more pronounced peaks and valleys.

- Over the past two decades, there has been an overall increase in the proportion of the poverty population in deep poverty. From a low of 28 percent of the poverty population in 1976, this population rose to 41 percent in 2001.

- The total number of poor people in 2001 was 32.9 million people, as shown in Table ECON 2. While higher than the previous year, this number was 3.6 million lower than 1996, and 6.7 million fewer than forty years prior.

Table ECON 2. Number and Percentage of Total Population Below 50, 75, 100, and 125 Percent of Poverty Level: Selected Years

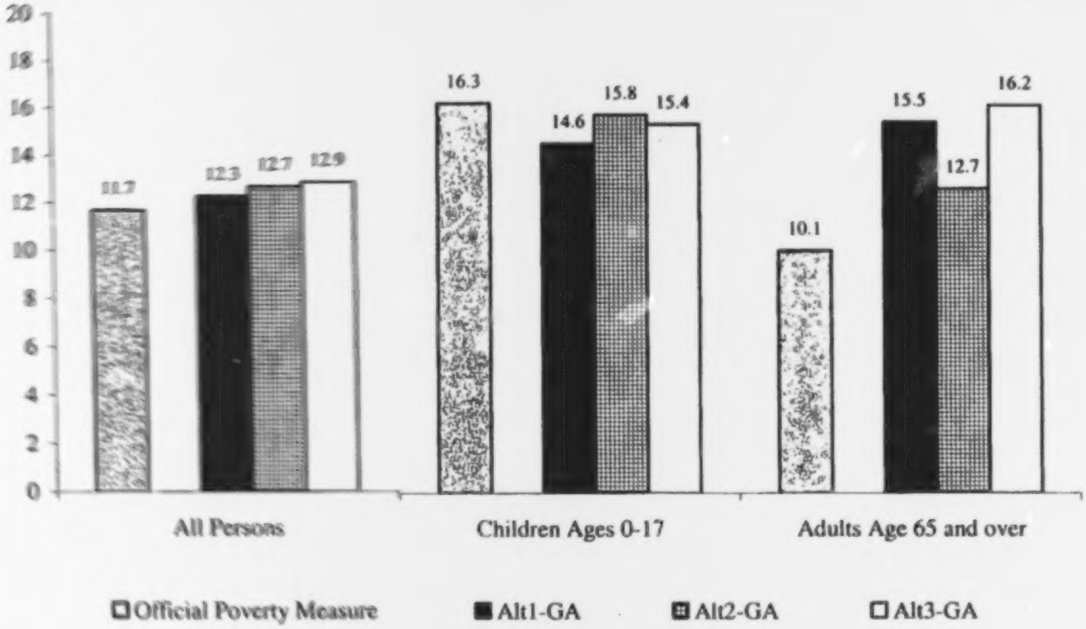
Year	Total	Below 50 percent		Below 75 percent		Below 100 percent		Below 125 percent	
	Population (thousands)	Number (thousands)	Percent	Number (thousands)	Percent	Number (thousands)	Percent	Number (thousands)	Percent
1959	176,600	N/A	N/A	N/A	N/A	39,500	22.4	54,900	31.1
1961	181,300	N/A	N/A	N/A	N/A	39,600	21.9	54,300	30.0
1963	187,300	N/A	N/A	N/A	N/A	36,400	19.5	50,800	27.1
1965	191,400	N/A	N/A	N/A	N/A	33,200	17.3	46,200	24.1
1967	195,700	N/A	N/A	N/A	N/A	27,800	14.2	39,200	20.0
1969	199,500	9,600	4.8	16,400	8.2	24,100	12.1	34,700	17.4
1971	204,600	N/A	N/A	N/A	N/A	25,600	12.5	36,500	17.8
1973	208,500	N/A	N/A	N/A	N/A	23,000	11.1	32,800	15.8
1975	210,900	7,700	3.7	15,400	7.3	25,900	12.3	37,100	17.6
1976	212,300	7,000	3.3	14,900	7.0	25,000	11.8	35,500	16.7
1977	213,900	7,500	3.5	15,000	7.0	24,700	11.6	35,700	16.7
1978	215,700	7,700	3.6	14,900	6.9	24,500	11.4	34,100	15.8
1979	222,900	8,600	3.8	16,300	7.3	26,100	11.7	36,600	16.4
1980	225,000	9,800	4.4	18,700	8.3	29,300	13.0	40,700	18.1
1981	227,200	11,200	4.9	20,700	9.1	31,800	14.0	43,800	19.3
1982	229,400	12,800	5.6	23,200	10.1	34,400	15.0	46,600	20.3
1983	231,700	13,600	5.9	23,600	10.2	35,300	15.2	47,000	20.3
1984	233,800	12,800	5.5	22,700	9.7	33,700	14.4	45,400	19.4
1985	236,600	12,400	5.2	22,200	9.4	33,100	13.6	44,200	18.7
1986	238,600	12,700	5.3	22,400	9.4	32,400	14.0	44,600	18.7
1987	241,000	12,500	5.2	21,700	9.0	32,200	13.4	43,100	17.9
1988	243,500	12,700	5.2	21,400	8.8	31,700	13.0	42,600	17.5
1989	246,000	12,000	4.9	20,700	8.4	31,500	12.8	42,600	17.3
1990	248,600	12,900	5.2	22,600	9.1	33,600	13.5	44,800	18.0
1991	251,200	14,100	5.6	24,400	9.7	35,700	14.2	47,500	18.9
1992	256,500	15,500	6.1	26,200	10.2	38,000	14.8	50,500	19.7
1993	259,300	16,000	6.2	27,200	10.5	39,300	15.1	51,900	20.0
1994	261,600	15,400	5.9	26,400	10.1	38,100	14.5	50,500	19.3
1995	263,700	13,900	5.3	24,500	9.3	36,400	13.8	48,800	18.5
1996	266,200	14,400	5.4	24,800	9.3	36,500	13.7	49,300	18.5
1997	268,500	14,600	5.4	24,200	9.0	35,600	13.3	47,800	17.8
1998	271,100	13,900	5.1	23,000	8.5	34,500	12.7	46,000	17.0
1999	273,500	12,700	4.6	21,600	7.9	32,300	11.8	44,300	16.2
2000	278,900	12,600	4.5	20,500	7.4	31,100	11.3	43,500	15.8
2001	281,500	13,400	4.8	22,000	7.8	32,900	11.7	45,300	16.1

Note: The number of persons below 50 percent and 75 percent of poverty for 1969 are estimated based on the distribution of persons below 50 percent and 75 percent for 1969 taken from the 1970 decennial census.

Source: U.S. Bureau of the Census, "Poverty in the United States: 2001," *Current Population Reports*, Series P60-219, unpublished tables available online at http://www.census.gov/hhes/www/poverty.html, and *1970 Census of Population, Volume 1, Social and Economic Characteristics*, Table 259.

ECONOMIC SECURITY RISK FACTOR 3. EXPERIMENTAL POVERTY MEASURES

Figure ECON 3. Percentage of Persons in Poverty Using Various Experimental Poverty Measures, by Age: 2001



Note: Alternative poverty measures used in this figure are defined in the note to Table ECON 3b.

Source: U.S. Bureau of the Census, "Poverty in the United States: 2001," *Current Population Reports*, Series P60-219, available online at http://www.census.gov/hhes/www/poverty.html.

- Three experimental measures of poverty (developed by the Census Bureau in response to the recommendation of a 1995 panel of the National Academy of Sciences) yield poverty rates that are similar to the official poverty measure overall, but differ by age and other characteristics.

- Experimental measures generally show lower poverty rates among children than the official measure, partly because they take into account non-cash benefits that many children receive. Conversely, experimental measures show higher rates of poverty among the elderly than the official measure, in part due to the inclusion of certain out-of-pocket health costs in these measures.

- All three measures shown in Figure Econ 3 take into account geographic adjustments (GA) in housing costs; the measures can also be calculated with no geographic adjustment (NGA), as shown in Tables ECON 3a and 3b. See note to Table ECON 3b.

Table ECON 3a. Percentage of Persons in Poverty Using Various Experimental Poverty Measures, by Race/Ethnicity and Age: 2001

	Official	Alt1 MSI-NGA	Alt2 MIT-NGA	Alt3 CMB-NGA	Alt1 MSI-GA	Alt2 MIT-GA	Alt3 CMB-GA
All Persons	11.7	12.4	12.8	13.0	12.3	12.7	12.9
Racial/Ethnic Categories							
Non-Hispanic White	7.8	8.9	9.1	9.4	8.4	8.5	8.8
Black	22.7	21.3	22.1	22.2	20.8	21.7	21.8
Hispanic Origin	21.4	21.9	23.4	23.1	24.4	26.3	25.9
Age Categories							
Children Ages 0-17	16.3	14.5	15.7	15.3	14.6	15.8	15.4
Adults Ages 18-64	10.1	10.7	11.4	11.3	10.8	11.5	11.3
Adults Age 65 and over	10.1	16.1	13.7	17.1	15.5	12.7	16.2

See notes and source below.

Table ECON 3b. Percentage of Persons in Poverty Using Various Experimental Poverty Measures: 1999-2001

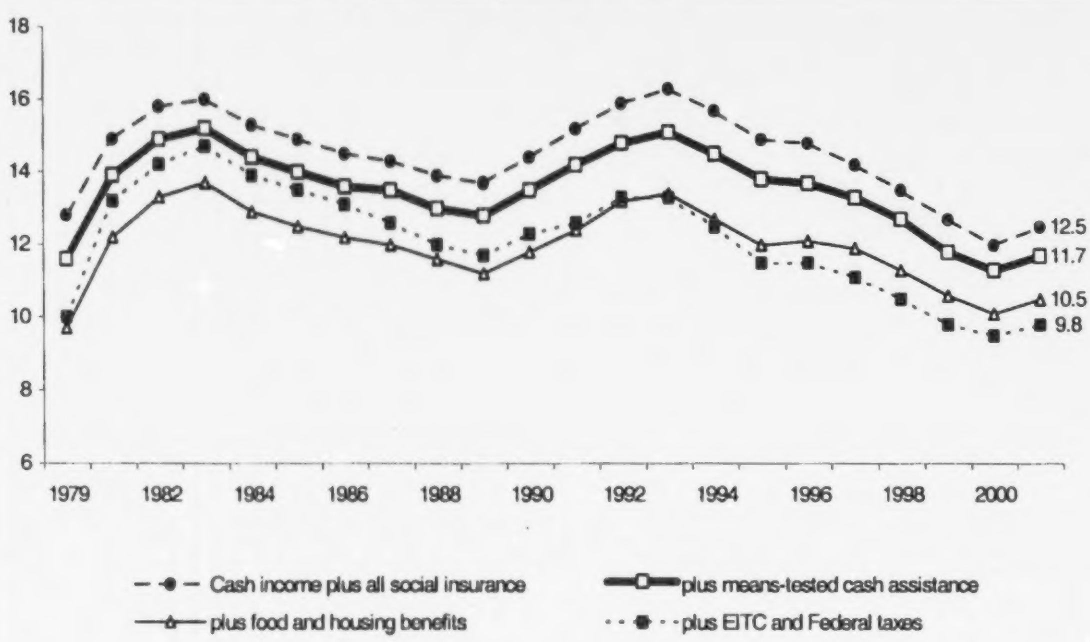
	1999	2000	2001
Official Measure	11.9	11.3	11.7
No Geographic Adjustment of Thresholds			
Medical costs alternative 1 (MSI-NGA)	12.2	12.1	12.4
Medical costs alternative 2 (MIT-NGA)	12.8	12.7	12.8
Medical costs alternative 3 (CMB-NGA)	12.9	12.8	13.0
Geographic Adjustment of Thresholds			
Medical costs alternative 1 (MSI-GA)	12.1	12.0	12.3
Medical costs alternative 2 (MIT-GA)	12.7	12.5	12.7
Medical costs alternative 3 (CMB-GA)	12.8	12.6	12.9

Note: Persons of Hispanic origin may be of any race. These experimental poverty measures implement changes recommended by a 1995 NAS panel, including: counting non-cash income as benefits; subtracting from income certain work-related, health, and child care expenses; and adjusting poverty thresholds for family size and geographic differences in housing costs. The three alternative measures are similar, except that each account for out-of-pocket medical expenses differently. For the first alternative ("MOOP subtracted from income" or MSI), medical out-of-pocket expenses (MOOP) are subtracted from income. The second alternative, ("MOOP in the threshold" or MIT) increases the poverty thresholds to take MOOP expenses into account. The third measure, CMB for combined methods, combines attributes of the previous two measures. Each of the three measures is calculated with and without accounting for geographic adjustments (GA and NGA). These experimental measures are different from those reported in last year's report because the Census Bureau changed its methodology based on research conducted to refine the NAS panel's experimental methods.

Source: U.S. Census Bureau, "Poverty in the United States: 2001, *Current Population Reports*, Series P60-219, available at http://www.census.gov/prod/2002pubs/p60-219.pdfsuexxpov.html.

ECONOMIC SECURITY RISK FACTOR 4. POVERTY RATES WITH VARIOUS MEANS-TESTED BENEFITS INCLUDED

Figure ECON 4. Percentage of Total Population in Poverty with Various Means-Tested Benefits Added to Total Cash Income: 1979-2001



Source: Congressional Budget Office tabulations of March CPS data Additional calculations by DHHS.

- The official definition of poverty – which includes means-tested cash assistance (primarily TANF and SSI) in addition to pre-tax cash income and social insurance – was 11.7 percent in 2001, as shown in the bold line with empty boxes in Figure ECON 4. Without cash welfare, the 2000 poverty rate would be 12.5 percent, as shown by the top line in the figure above.

- Adding other, non-cash, public assistance benefits to this definition has the effect of lowering the percentage of people who have incomes below the official poverty rate. Adding in the value of food and housing benefits reduces the poverty rate to 10.5 percent in 2001.

- When income is defined as including benefits from the Earned Income Tax Credit (EITC) and federal taxes, the percentage of the total population in poverty decreases to 9.8 percent in 2001. Taxes have had a net effect of reducing poverty rates since the significant increases in the size of the EITC in 1993 and 1995.

- The combined effect of means-tested cash assistance, food and housing benefits, EITC and taxes was to reduce the poverty rate in 2001 by 2.7 percentage points, as shown in Table ECON 4. Net reductions in poverty rates were somewhat lower during the recession of the early 1980s, and somewhat higher in the mid-1990s, largely due to expansions in the EITC.

Table ECON 4. Percentage of Total Population in Poverty with Various Means-Tested Benefits Added to Total Cash Income: Selected Years

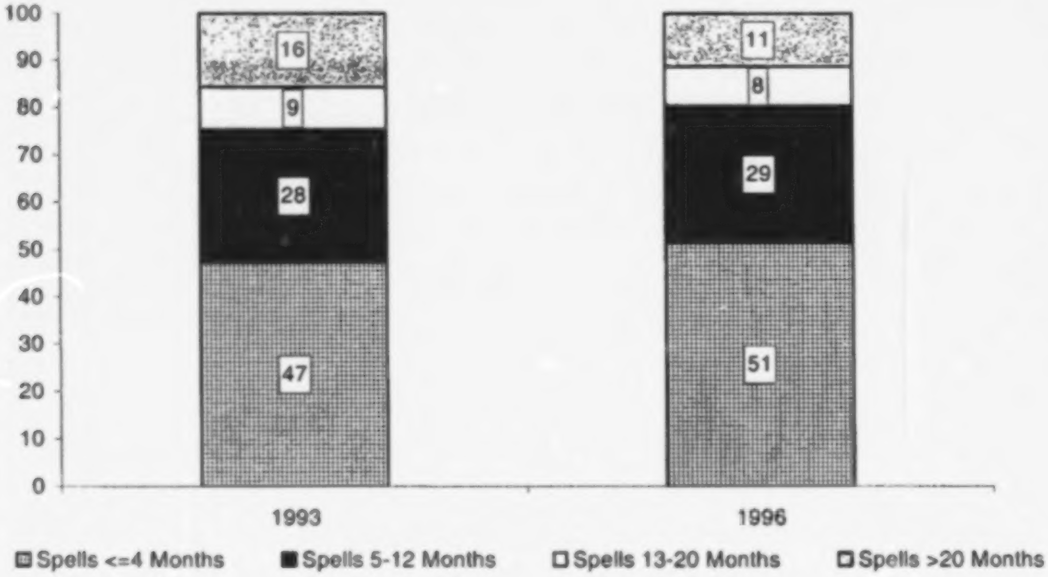
	1979	1983	1986	1989	1992	1995	1998	2000	2001
Cash Income Plus All Social Insurance	12.8	16.0	14.5	13.8	15.6	14.9	13.5	12.0	12.5
Plus Means-Tested Cash Assistance	11.6	15.2	13.6	12.8	14.5	13.8	12.7	11.3	11.7
Plus Food and Housing Benefits	9.7	13.7	12.2	11.2	12.9	12.0	11.3	10.1	10.5
Plus EITC and Federal Taxes	10.0	14.7	13.1	11.8	13.0	11.5	10.4	9.5	9.8
Reduction in Poverty Rate	2.8	1.3	1.4	2.0	2.6	3.4	3.1	2.5	2.7

Note: The four measures of income are as follows: 1) "Cash Income plus All Social Insurance" is earnings and other private cash income, plus social security, workers' compensation, and other social insurance programs. It does not include means-tested cash transfers; (2) "Plus Means-Tested Assistance" shows the official poverty rate, which takes into account means-tested assistance, primarily AFDC/TANF and SSI; (3) "Plus Food and Housing Benefits" shows how poverty would be lower if the cash value of food and housing benefits were counted as income; and (4) "Plus EITC and Federal Taxes" is the most comprehensive poverty rate shown. EITC refers to the refundable Earned Income Tax Credit, which is always a positive adjustment to income whereas Federal payroll and income taxes are a negative adjustment. The fungible value of Medicare and Medicaid is not included.

Source: Congressional Budget Office tabulations of March CPS data. Additional calculations by DHHS.

ECONOMIC SECURITY RISK FACTOR 5. POVERTY SPELLS

Figure ECON 5. Percentage of Poverty Spells for Individuals Entering Poverty during the 1993 and 1996 SIPP Panels, by Length of Spell



Source: Unpublished data from the SIPP, 1993 and 1996 panels.

- Half (51 percent) of all poverty spells that began during the 1996 SIPP panel ended within four months and 70 percent ended within one year. Only 11 percent of all such spells were longer than 20 months.

- Spells of poverty that began between 1993 and 1995 were slightly longer; 47 percent ended within four months and 16 percent were longer than 20 months.

- Poverty spells among adults age 65 and older were more likely to last longer than 20 months (17 percent) than spells among other age groups, as shown in Table ECON 5a.

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Table ECON 5a. Percentage of Poverty Spells for Individuals Entering Poverty during the 1996 SIPP Panel, by Length of Spell, Race/Ethnicity, and Age

	Spells <=4 months	Spells 5-12 months	Spells 13-20 months	Spells >20 months
All Persons	51.3	29.0	8.3	11.4
Racial/Ethnic Categories	51.3	29.0	8.3	11.4
Non-Hispanic White	54.6	28.1	7.6	9.7
Non-Hispanic Black	45.5	27.7	10.1	16.7
Hispanic	46.8	32.9	8.6	11.7
Age Categories				
Ages 0 to 5 Years	46.8	29.6	10.8	12.9
Ages 6 to 10 Years	47.1	29.7	9.2	14.0
Ages 11 to 15 Years	49.5	30.9	7.9	11.7
Women Ages 16-64 years	50.7	29.3	8.5	11.5
Men Ages 16-64 Years	55.7	28.9	7.0	8.4
Adults Age 65 Years and Older	51.1	23.8	7.7	17.4

Note: Spell length categories are not mutually exclusive. Spells separated by only 1 month are not considered separate spells. Due to the length of the observation period, actual spell lengths for spells that lasted more than 20 months cannot be observed.

Source: Unpublished data from the SIPP, 1996 panel.

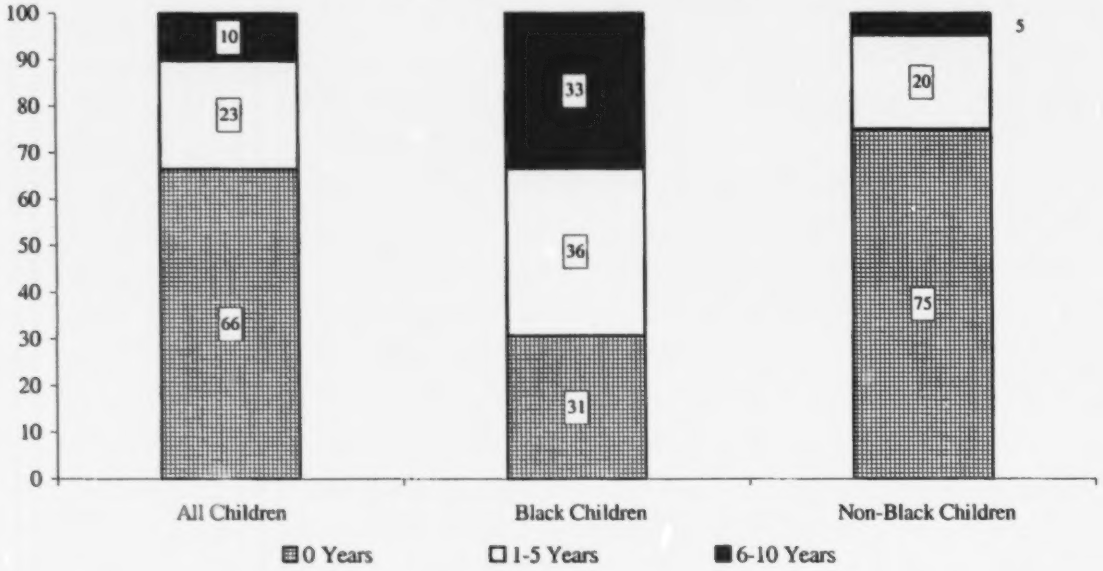
Table ECON 5b Percentage of Poverty Spells for Individuals Entering Poverty during the 1993 and 1996 SIPP Panels, by Length of Spell and Year

	Spells <=4 months	Spells 5-12 months	Spells 13-20 months	Spells >20 months
1993 Panel All Persons	47.3	28.1	8.9	15.7
1996 Panel All Persons	51.3	29.0	8.3	11.4

Source: Unpublished data from the SIPP, 1993 and 1996 panels.

ECONOMIC SECURITY RISK FACTOR 6. LONG-TERM POVERTY

Figure ECON 6. Percentage of Children Ages 0 to 5 in 1987 Living in Poverty between 1987 and 1996, by Years in Poverty and Race



Source: Unpublished data from the PSID, 1987-1996.

- ECON 6, which analyzes poverty over a ten-year period using data from the Panel Study of Income Dynamics (PSID), is only periodically updated. This figure is unchanged from last year's report and is included to assist those without previous reports.

- Among children who were ages 0 to 5 in 1987, two-thirds (66 percent) never lived in poverty for any year over the next ten years. Nearly one-quarter (23 percent) lived in poverty for one to five years and 10 percent were poor for six to ten years.

- For all three time periods, the percentages of all individuals who were poor for only one to two years were much larger than the percentages of all individuals who experienced longer-term poverty. For example, while 15 percent of all individuals were poor for only one to two years between 1987 and 1996, only 5 percent were poor for six to ten years during the same time period.

- Long-term poverty of six or more years decreased for blacks more than for non-blacks across the three ten-year time periods. As shown in Table ECON 6, the percentage of persons experiencing long-term poverty decreased from 27 percent in the earliest period to 22 percent in the most recent period for blacks, but remained essentially unchanged for non-blacks. The percentage of black children experiencing long-term poverty was steady across the periods, while the percentage for non-black children increased slightly, from 3 to 5 percent.

Table ECON 6: Percentage of Individuals Living in Poverty across Three Ten-Year Time Periods, by Years in Poverty, Race, and Age

Between 1967 and 1976:

	All Persons			Children 0-5 in 1967		
Cumulative Years in Poverty:	All	Black	Non-Black	All	Black	Non-Black
0 Years	75.3	37.3	80.2	70.0	26.7	76.5
1-2 Years	13.1	18.9	12.3	14.4	19.8	13.6
3-5 Years	6.2	16.6	5.0	9.1	20.5	7.4
6-8 Years	3.5	15.8	1.9	3.5	15.8	1.8
9-10 Years	1.9	11.5	0.7	2.9	17.9	0.7

Between 1977 and 1986:

	All Persons			Children 0-5 in 1977		
Cumulative Years in Poverty:	All	Black	Non-Black	All	Black	Non-Black
0 Years	77.9	46.3	82.2	73.7	36.7	80.0
1-2 Years	11.6	15.7	11.0	11.9	16.7	11.0
3-5 Years	5.3	14.5	4.1	5.6	12.5	4.4
6-8 Years	3.4	14.0	1.9	5.1	16.5	3.2
9-10 Years	1.9	9.5	0.8	3.7	17.6	1.3

Between 1987 and 1996:

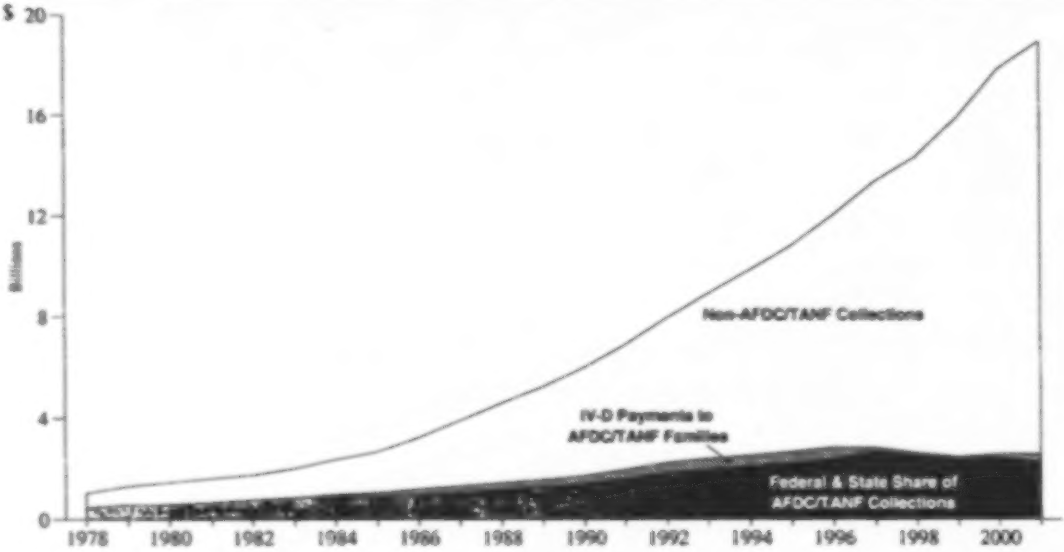
	All Persons			Children 0-5 in 1987		
Cumulative Years in Poverty:	All	Black	Non-Black	All	Black	Non-Black
0 Years	74.7	44.7	79.3	66.4	30.7	75.1
1-2 Years	14.6	18.7	14.0	15.8	17.2	15.5
3-5 Years	5.5	14.3	4.1	7.6	18.8	4.8
6-8 Years	3.1	10.3	2.0	5.6	12.5	4.0
9-10 Years	2.2	12.0	0.7	4.6	20.9	0.7

Note: The base for the percentages consists of individuals in the PSID family units for all the ten-year period. Child recipients are defined by age in the first year of the ten-year period. This table measures years of poverty over the specified ten-year time periods and does not take into account years of poverty that may have occurred before or after the ten-year time period.

Source: Unpublished data from the PSID 1968-93 final release files and 1994-1997 unreleased preliminary data as of January, 2002.

ECONOMIC SECURITY RISK FACTOR 7. CHILD SUPPORT

Figure ECON 7. Total, Non-AFDC/TANF, and AFDC/TANF Title IV-D Child Support Collections: 1978-2001



Source: U.S. Department of Health and Human Services, Administration for Children and Families, Office of Child Support Enforcement, *Child Support Collections: 2002 TANF Report to Congress* (and earlier years), Washington, DC.

- Collections paid through the Child Support Enforcement system (Title IV-D of the Social Security Act) totaled $19 billion in 2001, over $1 billion more than in 2000. During the 1990s, child support collections grew rapidly, at an average rate of almost $1.1 billion a year.

- Non-TANF collections as a percentage of overall collections by the IV-D program have rapidly increased in recent years. (Non-TANF collections include collections paid to former TANF families as well as to families with no contact with the welfare system.) Non-TANF collections increased by $1.1 billion between 2000 and 2001, while TANF collections remained essentially unchanged. Note that this stability occurred despite a 6.5 percent drop in the number of TANF recipient families over the same time period.

- The amount of TANF collections paid to AFDC/TANF families is difficult to track in recent years because of changes in data reporting forms. Available data suggest these payments declined in fiscal years 1997-2000, with an increase shown in fiscal year 2001, as shown in Table ECON 7. A number of states have opted to pass through some or all of collections to the custodial TANF family, even though the 1996 welfare reform repealed the former requirement for a $50 "pass-through to families."

- More than 87 percent of TANF collections (collections on behalf of TANF recipients and for past due support assigned to the state by former TANF recipients) was retained in 2001 to reimburse the state and federal governments for the cost of welfare benefits.

Table ECON 7. Total, Non-AFDC/TANF, and AFDC/TANF Title IV-D Child Support Collections: 1978-2001

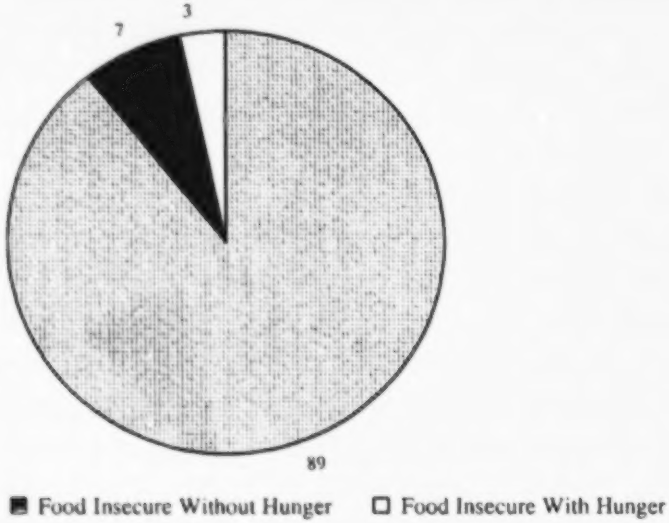
	Total Collections (in millions)						
			AFDC/TANF Collections				
	Total						
Fiscal Year	Current Dollars	Constant '00 Dollars	Total	Payments to AFDC/TANF Families	Federal & State Share of Collections	Non-AFDC/TANF Collections	Total IV-D Administrative Expenditures
1978	$1,047	$2,788	$472	$13	$459	$575	$312
1979	1,333	3,259	597	12	584	736	383
1980	1,478	3,240	603	10	593	874	466
1981	1,629	3,252	671	12	659	958	526
1982	1,771	3,301	786	15	771	985	612
1983	2,024	3,623	880	15	865	1,144	691
1984	2,378	4,078	1,000	17	983	1,378	723
1985	2,694	4,455	1,090	189	901	1,604	814
1986	3,249	5,234	1,225	275	955	2,019	941
1987	3,917	6,144	1,349	278	1,070	2,569	1,066
1988	4,605	6,951	1,486	289	1,188	3,128	1,171
1989	5,241	7,536	1,593	307	1,286	3,648	1,363
1990	6,010	8,233	1,750	334	1,416	4,260	1,606
1991	6,886	8,979	1,984	381	1,603	4,902	1,804
1992	7,964	10,080	2,259	435	1,824	5,705	1,995
1993	8,907	10,943	2,416	446	1,971	6,491	2,241
1994	9,850	11,789	2,550	457	2,093	7,300	2,556
1995	10,827	12,608	2,689	474	2,215	8,138	3,012
1996	12,020	13,619	2,855	480	2,375	9,165	3,049
1997	13,364	14,744	2,843	157	2,685	10,521	3,428
1998	14,348	15,576	2,650	152	2,498	11,698	3,585
1999	15,901	16,939	2,482	113	2,368	13,421	4,039
2000	17,854	18,429	2,593	165	2,428	15,261	4,526
2001	18,958	18,958	2,592	332	2,259	16,366	4,835

Note: Not all states report current child support collections in all years. Constant dollar adjustments to the 2000 level were made using a CPI-U-X1 fiscal year average price index. Data for fiscal years 1999 and thereafter relating to the Federal and State share of TANF collections include assistance reimbursement for former TANF families. These data may not be exactly comparable to that of previous years due to changes in data reporting categories.

Source: U.S. Department of Health and Human Services, Administration for Children and Families, Office of Child Support Enforcement, *Child Support Collections: 2002 TANF Report to Congress* (and earlier years), Washington, DC.

ECONOMIC SECURITY RISK FACTOR 8. FOOD INSECURITY

Figure ECON 8. Percentage of Households Classified by Food Security Status: 2001



Source: U.S. Department of Agriculture, Economic Research Service, *Household Food Security in the United States, 2001.*

- A large majority (89 percent) of American households was food secure in 2001 – that is, showed little or no evidence of concern about food supply or reduction in food intake.

- The prevalence of food insecurity with hunger in 2001 was estimated to be 3.3 percent. During the twelve months ending in December 2001, one or more members of these households experienced reduced food intake and hunger as a result of financial constraints. Food insecurity would be lower measured over a monthly basis.

- An additional 7 percent of households experienced food insecurity, but were without hunger, during the twelve months ending in December 2001. Although these households showed signs of food insecurity in their concerns and in adjustments to household food management, little or no reduction in food intake was reported.

- Poor households have a higher rate of food insecurity with hunger (12.9 percent) than the 3.3 percent rate among the general population, as shown in Table ECON 8a. Only 1.3 percent of families with incomes at or above 185 percent of the poverty level showed evidence of food insecurity with hunger.

- Changes in survey administration must be taken into account when assessing time trends. In general, there was a downward trend in food insecurity with hunger from 1995-1999, followed by a slight increase between 1999-2001. Higher food insecurity in even years may reflect seasonal differences in data collection between odd and even years.

Table ECON 8a. Percentage of Households Classified by Food Security Status and Selected Characteristics: 2001

	Food Secure	Food Insecure Total	Food Insecure Without Hunger	Food Insecure With Hunger
All Households	89.3	10.7	7.4	3.3
Racial/Ethnic Categories				
Non-Hispanic White	92.4	7.6	5.1	2.5
Non-Hispanic Black	78.7	21.3	15.1	6.2
Hispanic	78.2	21.8	16.4	5.4
Other Non-Hispanic	89.7	10.3	7.6	2.8
Households, by Age				
Households with Children Under 6	82.6	17.4	13.7	3.8
Households with Children Under 18	83.9	16.1	12.4	3.8
Households with Elderly	94.5	5.5	4.0	1.5
Household Income-to-Poverty Ratio				
Under 1.00	63.5	36.5	23.6	12.9
Under 1.30	67.7	32.3	21.3	10.9
Under 1.85	72.1	27.9	18.9	8.9
1.85 and over	95.1	4.9	3.6	1.3

See below for notes and source.

Table ECON 8b. Percentage of Households Classified by Food Security Status: 1995-2001

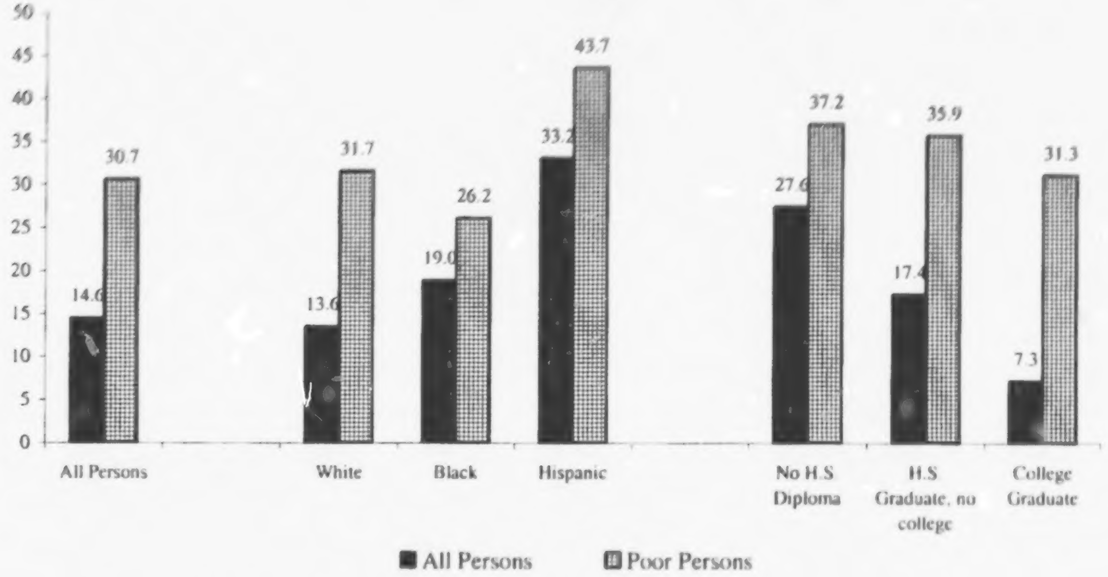
	Food Secure	Food Insecure Total	Food Insecure Without Hunger	Food Insecure With Hunger
Old Series				
1995	89.7	10.3	6.4	3.9
1996	89.6	10.4	6.3	4.1
1997	91.3	8.7	5.6	3.1
1998	89.8	10.2	6.6	3.6
1999	91.3	8.7	5.9	2.8
New Series				
1998	88.2	11.8	8.1	3.7
1999	89.9	10.1	7.1	3.0
2000	89.5	10.5	7.3	3.1
2001	89.3	10.7	7.4	3.3

Note: Food secure households show little or no evidence of concern about food supply or reduction in food intake. Households classified as food insecure without hunger report food-related concerns, adjustments to household food management, and reduced variety and desirability of diet, but report little or no reduction in food intake. Households classified as food insecure with hunger report recurring reductions in food intake or hunger by one or more persons in the household. Because of changes in survey administration, food insecurity statistics in Table ECON 8b are shown in two separate series. The "new series" provides the best estimates of food security for 1998-2001; in the "old series" (1995-1999), data for 1998 and 1999 were adjusted to be comparable to 1995-1997.

Source: U.S. Department of Agriculture, Economic Research Service, *Household Food Security in the United States, 2001.*

ECONOMIC SECURITY RISK FACTOR 9. LACK OF HEALTH INSURANCE

Figure ECON 9. Percentage of Persons without Health Insurance, by Income: 2001



Source: U.S. Bureau of the Census, Current Population Survey, March 2002.

- Poor persons were more than twice as likely as all persons to be without health insurance in 2001 (30 percent compared to 14 percent). While the ratio varied across categories, persons with family income at or below the poverty line were more likely to be without health insurance regardless of race/ethnicity, gender, educational attainment, or age.

- Hispanics were the ethnic group least likely to have health insurance in 2001, among both the general population and those with incomes below the poverty line. While white individuals in general were more likely to have insurance than black individuals, poor black individuals were more likely to have insurance than poor white individuals.

- Among all persons, the amount of education was inversely related to health insurance coverage, as shown in Table ECON 9. However, among poor persons, educational attainment made little difference as to whether individuals had health insurance.

- As shown in Table ECON 9, individuals ages 18 to 34 are the most likely to be without health insurance, among both the general population and the poor population. Nearly half of all 18 to 34 year-olds with incomes below the poverty line had no health insurance in 2001.

Table ECON 9. Percentage of Persons without Health Insurance, by Income and Selected Characteristics: 2001

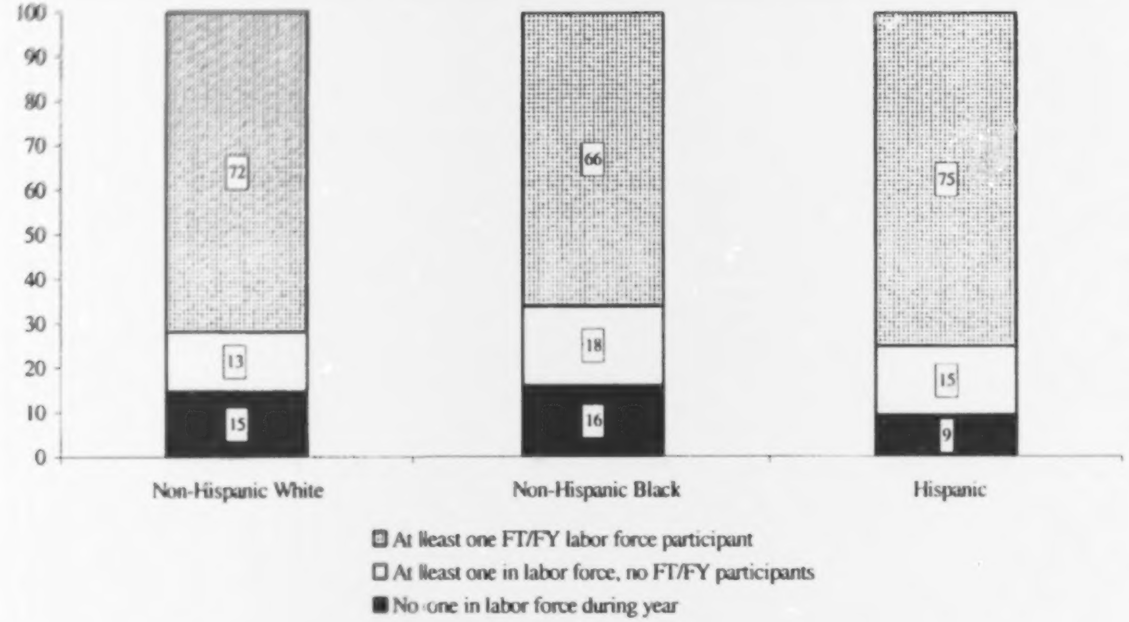
	All Persons	Poor Persons
All Persons	**14.6**	**30.7**
Male	15.8	33.9
Female	13.5	28.2
White	13.6	31.7
Black	19.0	26.2
Hispanic	33.2	43.7
No H.S. Diploma	27.6	37.2
H.S. Graduate, no college	17.4	35.9
College Graduate	7.3	31.3
Age 18 and under	11.7	21.3
Ages 18-24	28.1	45.5
Ages 25-34	23.4	49.5
Ages 35-44	16.1	44.6
Ages 45-64	13.1	31.9
Age 65 and over	0.8	2.7

Note: "Poor persons" are defined as those with total family incomes at or below the poverty rate. Persons of Hispanic ethnicity may be of any race. Racial categories include Hispanics.

Source: Source: U.S. Bureau of the Census, "Health Insurance Coverage: 2001," *Current Population Reports*, Series P60-220 (March 2002 Current Population Survey). Online: Available at http://www.census.gov/hhes/www/hlthin01.html.

EMPLOYMENT AND WORK-RELATED RISK FACTOR 1. LABOR FORCE ATTACHMENT

Figure WORK 1. Percentage of Individuals in Families with Labor Force Participants, by Race/Ethnicity: 2001



Source: Unpublished tabulations of March CPS data.

- In 2001, 72 percent of the total population lived in families with at least one person working on a full-time, full-year basis, as shown in Table WORK 1a. Full-time full-year work was slightly lower than in 2000, although generally still higher than during the 1990s, as shown in Table WORK 1b.

- Overall, 14 percent of the population lived in families with no labor force participants and 14 percent lived in families with part-time and/or part-year labor force participants in 2001.

- Persons of Hispanic origin were less likely than non-Hispanic whites or non-Hispanic blacks to live in families with no one in the labor force in 2001 (9 percent compared to 15 and 16 percent, respectively).

- Working-age women in 2001 were more likely than working-age men to live in families with no one in the labor force (8 percent compared to 6 percent). Men were more likely than women to live in families with at least one full-time, full-year worker (80 percent compared to 76 percent).

Table WORK 1a. Percentage of Individuals in Families with Labor Force Participants, by Race/Ethnicity and Age: 2001

	No one in LF During Year	At least one in LF No one FT/FY	At least one FT/FY worker
All Persons	13.9	14.3	71.7
Racial/Ethnic Categories			
Non-Hispanic White	14.8	13.4	71.8
Non-Hispanic Black	16.0	17.8	66.2
Hispanic	9.3	15.5	75.3
Age Categories			
Children Ages 0-5	5.0	15.9	79.1
Children Ages 6-10	5.6	14.6	79.8
Children Ages 11-15	5.7	13.1	81.2
Women Ages 16-64	8.3	15.3	76.4
Men Ages 16-64	6.4	13.3	80.3
Adults Age 65 and over	65.8	13.8	20.4

See below for notes and source.

Table WORK 1b. Percentage of Individuals in Families with Labor Force Participants: 1990-2001

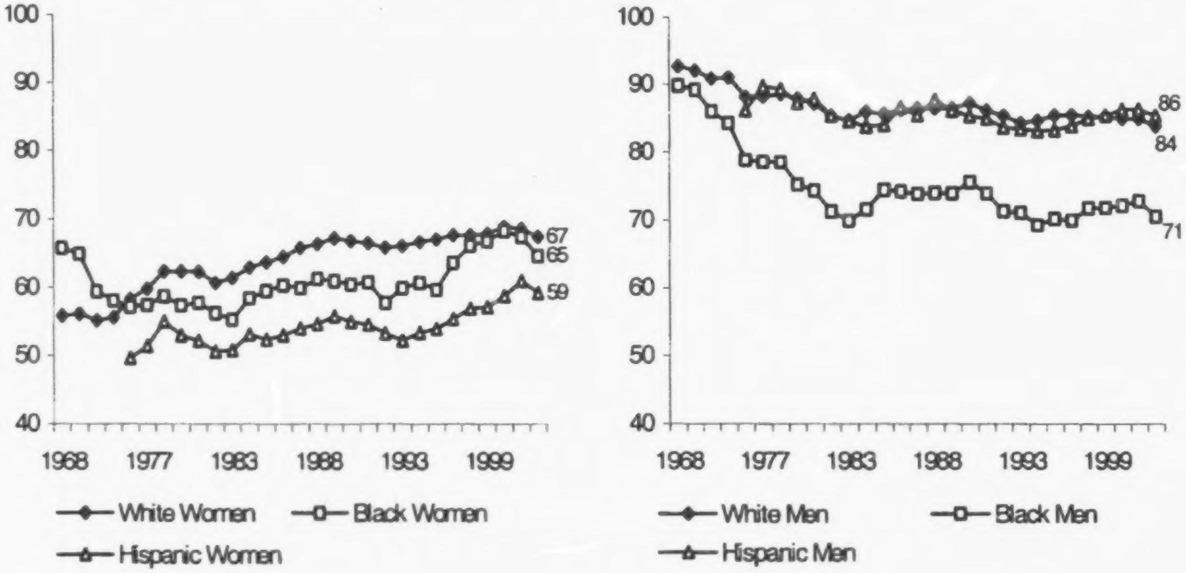
	No one in LF During Year	At least one in LF No one FT/FY	At least one FT/FY LF participant
1990	13.7	18.1	68.3
1991	14.3	18.7	67.0
1992	14.3	18.6	67.1
1993	14.2	18.6	67.3
1994	14.0	17.7	68.3
1995	13.8	17.0	69.2
1996	13.6	16.7	69.7
1997	13.5	16.3	70.2
1998	13.3	15.3	71.4
1999	13.1	14.6	72.3
2000	13.1	13.9	73.0
2001	13.9	14.3	71.7

Note: Full-time, full-year workers are defined as those who usually worked for 35 or more hours per week, for at least 50 weeks in a given year. Part-time and part-year labor force participation includes part-time workers and individuals who are unemployed, laid off, and/or looking for work for part or all of the year. This indicator represents annual measures of labor force participation, and thus cannot be compared to monthly measures of labor force participation in Indicator 2

Source: Unpublished tabulations of March CPS data.

EMPLOYMENT AND WORK-RELATED RISK FACTOR 2. EMPLOYMENT AMONG THE LOW-SKILLED

Figure WORK 2. Percentage of All Persons Ages 18 to 65 with No More than a High School Education Who Were Employed: 1969-2001



Source: ASPE tabulations of March CPS data.

- Employment rates for women with a high school education or less dropped in 2001, following several years of rising employment, particularly among black and Hispanic women. Low-skilled white women continued to have the highest employment level (67 percent in 2001) among the three racial/ethnic groups.

- Employment levels for white and Hispanic men with no more than a high school education have hovered close to 85 percent for close to two decades. In contrast, employment levels for low-skilled black men have varied over the same period. Between 1968 and 1983, employment rates for black men with no more than high school education fell by 20 percentage points. Since 1992, these rates have remained fairly stable at around 71 percent.

- As shown in Figure and Table WORK 2, employment levels for black men with a high school education or less were 6 percentage points higher than those of similarly educated black women in 2001. In contrast, there was a 17 percentage point difference in employment levels of white men and white women with a high school education or less, and a 26 percentage point difference between similarly educated Hispanic men and Hispanic women.

Table WORK 2. Percentage of All Persons Ages 18 to 65 with No More than a High School Education Who Were Employed at Any Time: 1969-2001

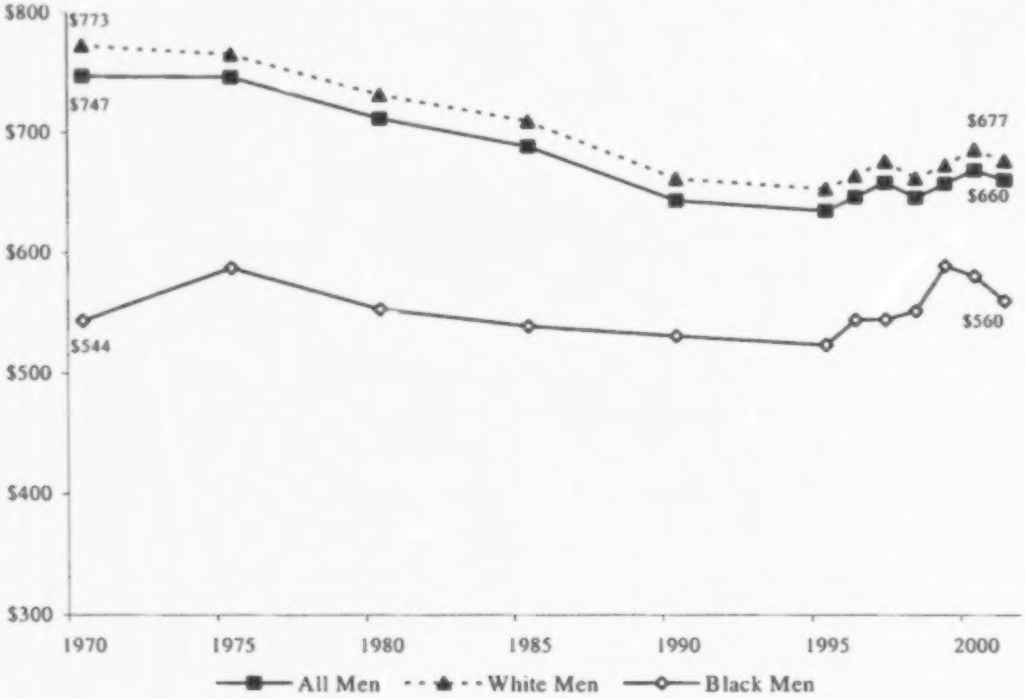
	Men			Women		
	White	Black	Hispanic	White	Black	Hispanic
1968	92.8	89.9	N/A	55.8	65.8	N/A
1969	92.1	89.2	N/A	56.1	64.9	N/A
1971	90.9	86.1	N/A	55.2	59.4	N/A
1972	91.1	84.3	N/A	55.6	58.1	N/A
1975	88.2	78.8	86.2	58.3	57.2	49.7
1977	88.3	78.6	89.8	59.8	57.4	51.4
1979	88.6	78.5	89.4	62.3	58.7	55.0
1980	88.0	75.3	87.4	62.3	57.4	53.0
1981	87.3	74.4	87.9	62.3	57.7	52.1
1982	85.4	71.3	85.4	60.7	56.2	50.6
1983	84.8	69.9	84.6	61.4	55.3	50.8
1984	86.1	71.6	83.9	62.9	58.4	53.1
1985	85.7	74.5	84.1	63.7	59.4	52.4
1986	86.3	74.2	86.7	64.4	60.3	53.0
1987	86.6	73.9	85.6	65.8	59.9	54.0
1988	86.5	74.1	87.8	66.4	61.3	54.6
1989	86.6	74.0	86.2	67.2	60.9	55.8
1990	87.4	75.6	85.4	66.8	60.4	55.0
1991	86.2	73.9	85.0	66.5	60.7	54.6
1992	85.5	71.4	83.7	65.9	57.8	53.3
1993	84.4	71.1	83.5	66.1	59.9	52.2
1994	84.7	69.3	83.2	66.6	60.7	53.3
1995	85.5	70.2	83.3	67.0	59.7	53.9
1996	85.6	70.0	84.0	67.7	63.6	55.4
1997	85.3	71.8	85.0	67.7	66.1	56.9
1998	85.4	71.9	85.5	67.9	66.8	57.1
1999	85.0	72.2	86.4	68.9	68.3	58.8
2000	85.1	72.9	86.5	68.6	67.4	61.0
2001	83.9	70.6	85.5	67.4	64.6	59.2

Note: All data include both full and partial year employment for the given calendar year. Race categories include those of Hispanic origin for all years. Hispanic origin was not available until 1975.

Source: ASPE tabulations of March CPS data.

EMPLOYMENT AND WORK-RELATED RISK FACTOR 3. EARNINGS OF LOW-SKILLED WORKERS

Figure WORK 3. Mean Weekly Wages of Men Working Full-Time, Full-Year with No More than a High School Education, by Race (2001 Dollars): Selected Years



Source: ASPE tabulations of March CPS data.

- Mean weekly wages for full-time work by men with no more than a high school diploma have decreased in real terms for much of the past quarter century, with some recovery in the late 1990s. In 2001, the mean weekly wage for low-skilled men working full-time was $660. This level is 4 percent above the 1995 weekly wages of $635 (in 2001 dollars), but 12 percent below the 1970 level of $747 (in 2001 dollars).

- The gap between mean weekly wages for white and black men with low education levels has narrowed significantly over time, but expanded slightly in 2000 and 2001. In 1970, the mean weekly wage for low-skilled black men working full-time was $544 (in 2001 dollars), or 70 percent of the $773 average for white men. However, full-time working black men with no more than a high school education received 83 percent of the mean weekly wages of white men in 2001 ($560 compared to $677).

Table WORK 3: Mean Weekly Wages of Men Working Full-Time, Full-Year with No More than a High-School Education, by Race (2001 Dollars): Selected Years

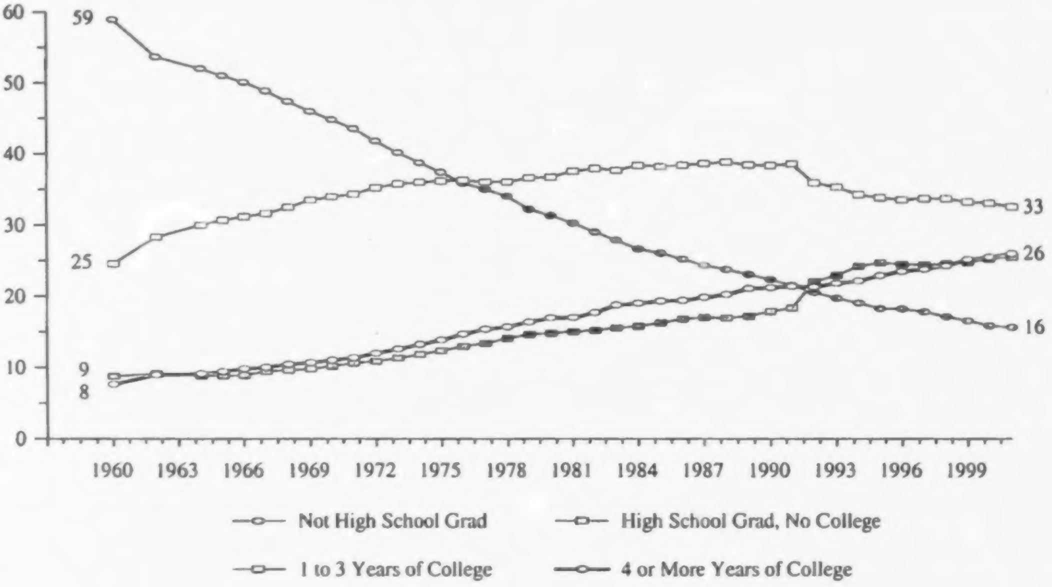
	1970	1975	1980	1985	1990	1995	1996	1997	1998	1999	2000	2001
All Men	$747	$746	$712	$688	$643	$635	$646	$658	$646	$658	$669	$660
White Men	$773	$765	$732	$709	$661	$653	$664	$676	$662	$673	$686	$677
Black Men	$544	$587	$553	$539	$531	$524	$544	$545	$552	$589	$581	$560

Note: Full-time, full-year workers work at least 48 weeks per year and 35 hours per week. White and black include those of Hispanic origin for all years.

Source: ASPE tabulations of March CPS data.

EMPLOYMENT AND WORK-RELATED RISK FACTOR 4. EDUCATIONAL ATTAINMENT

Figure WORK 4. Percentage of Adults Age 25 and Over, by Level of Educational Attainment: 1960-2001



Source: U.S. Bureau of the Census, "Educational Attainment in the United States: March 2001," *Current Population Reports*, Series PPL-157, February 2002, and earlier reports.

- There has been a marked decline over the past 40 years in the percentage of the population who has not earned a high school diploma. This percentage fell from 59 percent in 1960 to 16 percent in 2001.

- The percentage of the population receiving a high school education only (with no subsequent college) was 25 percent in 1960 and rose to 39 percent in 1988. Since then this figure has fallen to 33 percent, although some of this decline is a result of a change in the survey methodology in 1992 (see note to Table WORK 4).

- Between 1960 and 1990, the percentage of the population with some college (one to three years) doubled, from 9 percent to 18 percent. The apparent jump in 1992 is a result of a change in the survey methodology (see note to Table WORK 4), but the trend continued upward, reaching nearly 26 percent in 2001.

- The percentage of the population completing four or more years of college more than tripled from 1960 to 2001, rising steadily from 8 percent to 26 percent.

Table WORK 4. Percentage of Adults Age 25 and Over, by Level of Educational Attainment: Selected Years

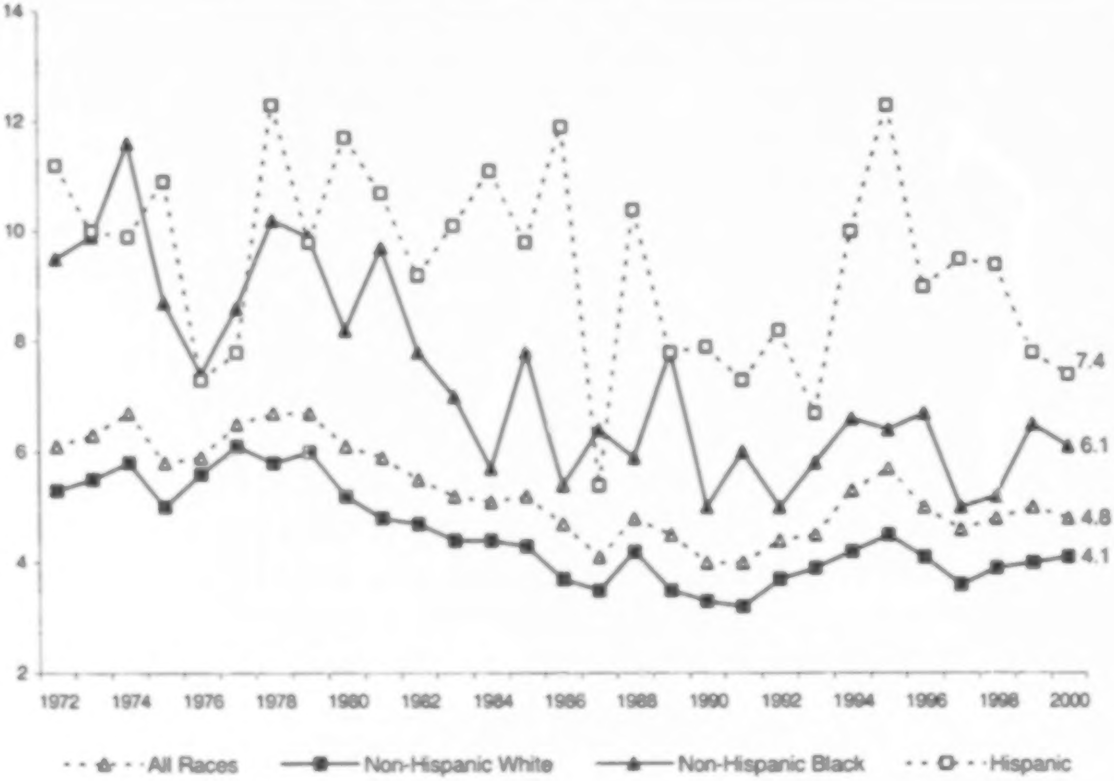
	Not a High School Graduate	Finished High School, No College	One to Three Years of College	Four or More Years of College
1940	76	14	5	5
1950	67	20	7	6
1960	59	25	9	8
1965	51	31	9	9
1970	45	34	10	11
1975	37	36	12	14
1980	31	37	15	17
1981	30	38	15	17
1982	29	38	15	18
1983	28	38	16	19
1984	27	38	16	19
1985	26	38	16	19
1986	25	38	17	19
1987	24	39	17	20
1988	24	39	17	20
1989	23	38	17	21
1990	22	38	18	21
1991	22	39	18	21
1992	21	36	22	21
1993	20	35	23	22
1994	19	34	24	22
1995	18	34	25	23
1996	18	34	25	24
1997	18	34	24	24
1998	17	34	25	24
1999	17	33	25	25
2000	16	33	25	26
2001	16	33	26	26

Note: Completing the GED is not considered completing high school for this table. Beginning with data for 1992, a new survey question results in different categories than for prior years. Data shown as Finished High School, No College was previously from the category "High School, 4 years" and is now from the category "High School Graduate." Data shown as One to Three Years of College was previously from the category "College 1 to 3 years" and is now the sum of the categories: "Some College" and two separate "Associate Degree" categories. Data shown as Four or More Years of College was previously from the category "College 4 years or more," and is now the sum of the categories: "Bachelor's Degree," "Master's Degree," "Doctorate Degree," and "Professional Degree."

Source: U.S. Bureau of the Census, "Educational Attainment in the United States: March 2001," Current Population Reports, Series PPL-157, February 2002, and earlier reports.

EMPLOYMENT AND WORK-RELATED RISK FACTOR 5. HIGH-SCHOOL DROPOUT RATES

Figure WORK 5. Percentage of Students Enrolled in Grades 10 to 12 in the Previous Year Who Were Not Enrolled and Had Not Graduated in the Survey Year, by Race/Ethnicity: Selected Years



Source: U.S. Department of Education, National Center for Education Statistics. *Dropout Rates in the United States: 2000* and earlier years (based on Current Population Survey data from the October supplement).

- With the exception of a small upward movement in 1988, the dropout rates for teens in grades 10 to 12 declined steadily from 1979 to 1991. From a low of 4.0 percent, the rate began rising to a peak of 5.7 percent in 1995. Following this upturn, the overall rate again declined to 4.6 percent in 1997; since then it has fluctuated, moving up to 5.0 percent in 1999 and then back down again to 4.8 percent in 2000.

- Dropout rates among Hispanic and black teens have fluctuated considerably over time. Still, dropout rates are generally highest for Hispanic teens and lowest for white teens. In 2000, the dropout rate was 7.4 percent for Hispanic teens, compared to 6.1 percent for black teens and 4.1 percent for white teens.

Table WORK 5. Percentage of Students Enrolled in Grades 10 to 12 in the Previous Year Who Were Not Enrolled and Had Not Graduated in the Survey Year, by Race/Ethnicity: Selected Years

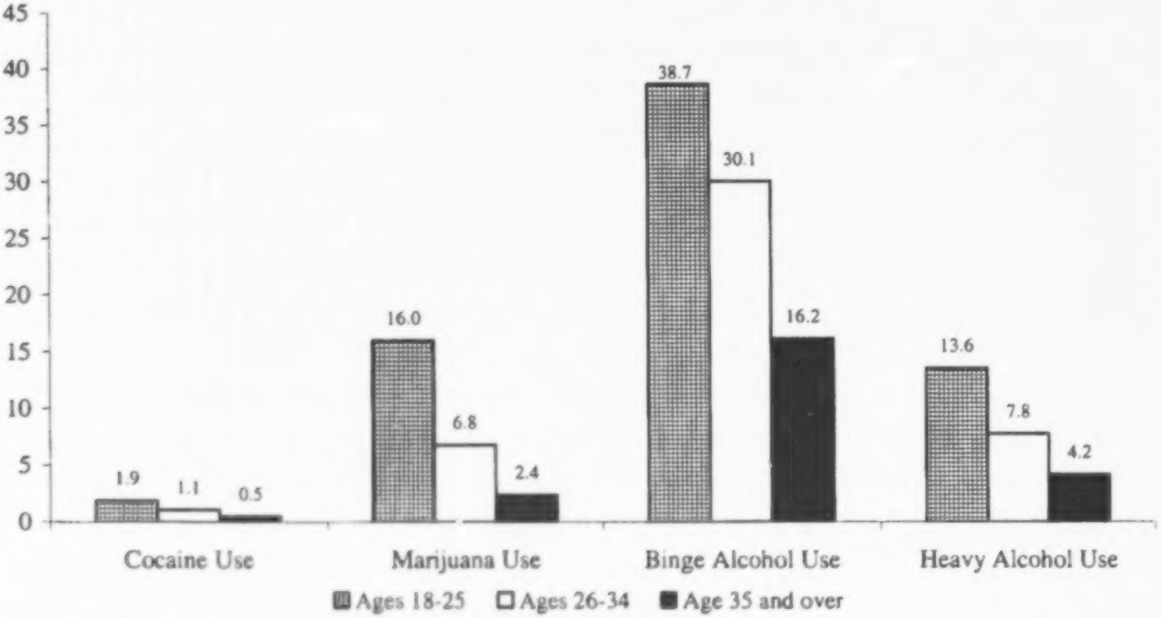
	Total	Non-Hispanic White	Non-Hispanic Black	Hispanic Origin
1972	6.1	5.3	9.5	11.2
1973	6.3	5.5	9.9	10.0
1974	6.7	5.8	11.6	9.9
1975	5.8	5.0	8.7	10.9
1976	5.9	5.6	7.4	7.3
1977	6.5	6.1	8.6	7.8
1978	6.7	5.8	10.2	12.3
1979	6.7	6.0	9.9	9.8
1980	6.1	5.2	8.2	11.7
1981	5.9	4.8	9.7	10.7
1982	5.5	4.7	7.8	9.2
1983	5.2	4.4	7.0	10.1
1984	5.1	4.4	5.7	11.1
1985	5.2	4.3	7.8	9.8
1986	4.7	3.7	5.4	11.9
1987	4.1	3.5	6.4	5.4
1988	4.8	4.2	5.9	10.4
1989	4.5	3.5	7.8	7.8
1990	4.0	3.3	5.0	7.9
1991	4.0	3.2	6.0	7.3
1992	4.4	3.7	5.0	8.2
1993	4.5	3.9	5.8	6.7
1994	5.3	4.2	6.6	10.0
1995	5.7	4.5	6.4	12.3
1996	5.0	4.1	6.7	9.0
1997	4.6	3.6	5.0	9.5
1998	4.8	3.9	5.2	9.4
1999	5.0	4.0	6.5	7.8
2000	4.8	4.1	6.1	7.4

Note: Persons of Hispanic origin may be of any race. Due to small sample size, American Indians/Alaska Natives and Asian/Pacific Islanders are included in the total but are not shown separately. Beginning in 1987, the Bureau of the Census instituted new editing procedures for cases with missing data on school enrollment. Beginning in 1992, the data reflect new wording of the educational attainment item in the CPS.

Source: U.S. Department of Education, National Center for Education Statistics, *Dropout Rates in the United States: 2000* and earlier years (based on Current Population Survey data from the October supplement).

EMPLOYMENT AND WORK-RELATED RISK FACTOR 6. ADULT ALCOHOL AND SUBSTANCE ABUSE

Figure WORK 6. Percentage of Adults Who Used Cocaine or Marijuana or Abused Alcohol, by Age: 2001



Source: U.S. Department of Health and Human Services, Substance Abuse and Mental Health Services Administration, National Household Survey on Drug Abuse.

- In 2001, young adults (ages 18 to 25) were more likely than older adults to report alcohol abuse, marijuana use, or cocaine use in the past month. More than one in seven (16 percent) of adults 18 to 25 reported using marijuana in the past month during 2001, compared with 7 percent of adults 26 to 34 and 2 percent of adults 35 and older. Young adults were also significantly more likely to abuse alcohol than older adults.

- The percentage of persons reporting binge alcohol use was significantly larger than the percentages for all other reported behaviors across all age groups, as shown in Table WORK 6.

Table WORK 6. Percentage of Adults Who Used Cocaine or Marijuana or Abused Alcohol, by Age: 1999, 2000, and 2001

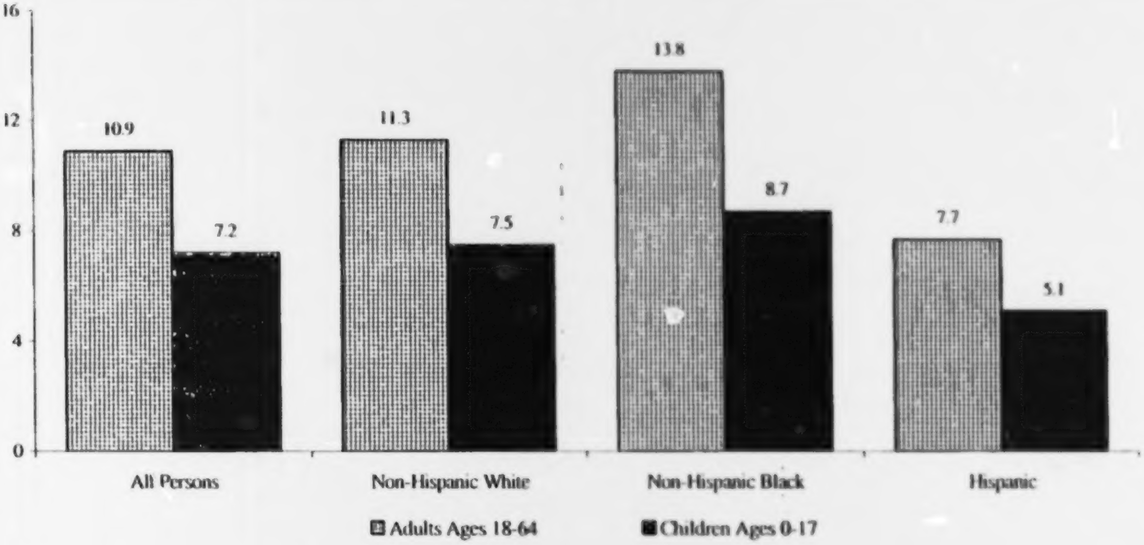
	1999	2000	2001
Cocaine			
Ages 18-25	1.7	1.4	1.9
Ages 26-34	1.2	0.8	1.1
Age 35 and Over	0.4	0.3	0.5
Marijuana			
Ages 18-25	14.2	13.6	16.0
Ages 26-34	5.4	5.9	6.8
Age 35 and Over	2.2	2.3	2.4
Binge Alcohol Use			
Ages 18-25	37.9	37.8	38.7
Ages 26-34	29.3	30.3	30.1
Age 35 and Over	16.0	16.4	16.2
Heavy Alcohol Use			
Ages 18-25	13.3	12.8	13.6
Ages 26-34	7.5	7.6	7.8
Age 35 and Over	4.2	4.1	4.2

Note: Cocaine and marijuana use is defined as use during the past month. "Binge" Alcohol Use is defined as drinking five or more drinks on the same occasion on at least one day in the past 30 days. "Occasion" means at the same time or within a couple hours of each other. Heavy Alcohol Use is defined as drinking five or more drinks on the same occasion on each of five or more days in the past 30 days; all Heavy Alcohol Users are also "Binge" Alcohol Users. Due to a change in NHSDA methodology in 1999, the 1999-2001 estimates cannot be compared to estimates from 1998 and earlier years for trend purposes.

Source: U.S. Department of Health and Human Services, Substance Abuse and Mental Health Services Administration, National Household Survey on Drug Abuse.

EMPLOYMENT AND WORK-RELATED RISK FACTOR 7. ADULT AND CHILD DISABILITY

Figure WORK 7. Percentage of the Non-Elderly Population Reporting a Disability, by Age and Race/Ethnicity: 2001



Source: Centers for Disease Control and Prevention, National Center for Health Statistics, National Health Interview Survey

- In 2001, adults were more likely than children to have an activity limitation, 10.9 percent compared to 7.2 percent.

- While adults were more likely than children to report an activity limitation, a higher percentage of children than adults were actually recipients of disability program benefits in 2001 (5.9 percent compared to 4.1 percent), as shown in Table WORK 7.

- Among both non-elderly adults and children, rates of activity limitation were very similar for non-Hispanic whites and non-Hispanic blacks in 2001, but lower for Hispanics, as shown in Table WORK 7.

Table WORK 7. Percentage of the Non-Elderly Population Reporting a Disability, by Race/Ethnicity and Age: 2001

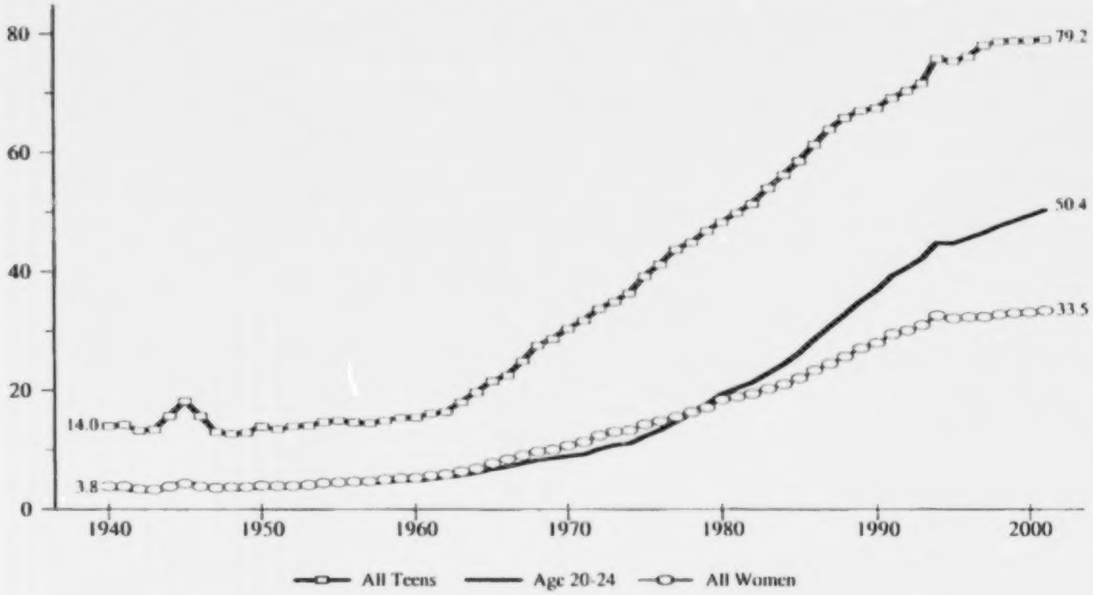
	Activity Limitation	Work Disability	Long-Term Care Needs	Disability Program Recipient
All Persons				
Adults Ages 18-64	10.9	8.3	2.0	4.1
Children Ages 0-17	7.2	N/A	N/A	5.9
Racial/Ethnic Categories (Adults Ages 18-64)				
Non-Hispanic White	11.3	8.5	1.9	4.0
Non-Hispanic Black	13.8	10.8	3.1	6.7
Hispanic	7.7	5.6	1.3	3.0
Racial/Ethnic Categories (Children Ages 0-17)				
Non-Hispanic White	7.5	N/A	N/A	6.2
Non-Hispanic Black	8.7	N/A	N/A	7.1
Hispanic	5.1	N/A	N/A	4.2

Note: Respondents were defined as having an activity limitation if they answered positively to any of the questions regarding: (1) work disability (see definition below); (2) long-term care needs (see definition below); (3) difficulty walking; (4) difficulty remembering; (5) for children under 5, limitations in the amount of play activities they can participate in because of physical, mental, or emotional problems; (6) for children 3 and over, receipt of Special Educational or Early Intervention Services; and, (7) any other limitations due to physical, mental, or emotional problems. Work disability is defined as limitations in or the inability to work as a result of a physical, mental or emotional health condition. Individuals are identified as having long-term care needs if they need the help of others in handling either personal care needs (eating, bathing, dressing, getting around the home) or routine needs (household chores, shopping, getting around for business or other purposes). Disability program recipients include persons covered by Supplemental Security Income (SSI), Social Security Disability Insurance (SSDI), Special Education Services, Early Intervention Services, and/or disability pensions.

Source: Centers for Disease Control and Prevention, National Center for Health Statistics, National Health Interview Survey

NON-MARITAL BIRTH RISK FACTOR 1. BIRTHS TO UNMARRIED WOMEN

Figure BIRTH 1. Percentage of Births to Unmarried Women, by Age Group: 1940-2001



Source: National Center for Health Statistics, "Nonmarital Childbearing in the United States, 1940 - 1999," *National Vital Health Statistics Reports*, Vol. 48(16), 2000; "Births: Final Data for 2001," *National Vital Statistics Reports*, Vol. 51(2), December 2002.

- The percentage of children born outside of marriage to women of all ages has increased over the past six decades, from 3.8 percent in 1940 to 33.5 percent in 2001. This increase reflects changes in several factors: the rate at which unmarried women have children, the rate at which married women have children, and the rate at which women marry.

- The percentage of children born outside of marriage is especially high among teen women and women ages 20-24. Close to four-fifths (79 percent) of all births to teens and half (50 percent) of women ages 20-24 took place outside of marriage in 2001.

- Since 1994, the percentage of unmarried births to all women has almost leveled off. The percentage of unmarried births to teen mothers has slowed since 1994, although it is still rising (from 76 percent in 1994 to 79 percent in 2001). The steepest growth since 1994 is among the 20 to 24 year old age group, where the percentage of births to unmarried women has increased from 45 to 50 percent.

- Recently, the percentage of out-of-wedlock births has leveled off among black teens and all black women. Among white teens and all white women, the trend continues upward (see Table C-1 in Appendix C for non-marital birth data by age and race).

Table BIRTH 1. Percentage of Births to Unmarried Women, by Age Group: 1940-2001

Year	Under 15	15-17 Years	18-19 Years	All Teens	20-24 Years	All Women
1940	64.5	N/A	N/A	14.0	3.4	3.8
1941	64.1	N/A	N/A	14.2	3.4	3.8
1942	64.5	N/A	N/A	13.2	3.0	3.4
1943	64.2	N/A	N/A	13.4	3.0	3.3
1944	64.5	N/A	N/A	15.7	3.7	3.8
1945	70.0	N/A	N/A	18.2	4.7	4.3
1946	66.4	N/A	N/A	15.7	4.0	3.8
1947	65.1	N/A	N/A	13.0	3.4	3.6
1948	61.4	20.8	8.5	12.7	3.4	3.7
1949	61.8	21.1	8.6	12.9	3.4	3.7
1950	63.7	22.6	9.4	13.9	3.7	4.0
1951	62.9	21.8	9.1	13.5	3.6	3.9
1952	63.6	22.8	9.2	14.0	3.7	3.9
1953	64.0	22.3	9.6	14.1	3.9	4.1
1954	64.4	23.2	10.1	14.7	4.2	4.4
1955	66.3	23.2	10.3	14.9	4.3	4.5
1956	66.1	23.0	10.0	14.6	4.4	4.6
1957	66.1	23.1	9.8	14.5	4.4	4.7
1958	66.2	23.3	10.3	14.9	4.5	5.0
1959	67.9	24.2	10.6	15.4	4.8	5.2
1960	67.8	24.0	10.7	15.4	4.8	5.3
1961	69.7	25.3	11.3	16.2	5.1	5.6
1962	69.5	26.7	11.3	16.4	5.4	5.9
1963	71.1	28.2	12.5	18.0	5.7	6.3
1964	74.2	29.9	13.5	19.7	6.1	6.8
1965	78.5	32.8	15.3	21.6	6.8	7.7
1966	76.3	35.3	16.1	22.6	7.1	8.4
1967	80.3	37.7	18.0	25.0	7.8	9.0
1968	81.0	40.4	20.1	27.6	8.3	9.7
1969	79.3	41.3	21.1	28.7	8.6	10.0
1970	80.8	43.0	22.4	30.5	8.9	10.7
1971	82.1	44.5	23.2	31.8	9.2	11.3
1972	81.9	45.9	24.7	33.8	10.2	12.4
1973	84.8	46.7	25.6	35.0	10.8	13.0
1974	84.6	48.3	27.0	36.4	11.1	13.2

over

Table BIRTH 1. Percentage of Births to Unmarried Women, by Age Group: 1940-2001 (continued)

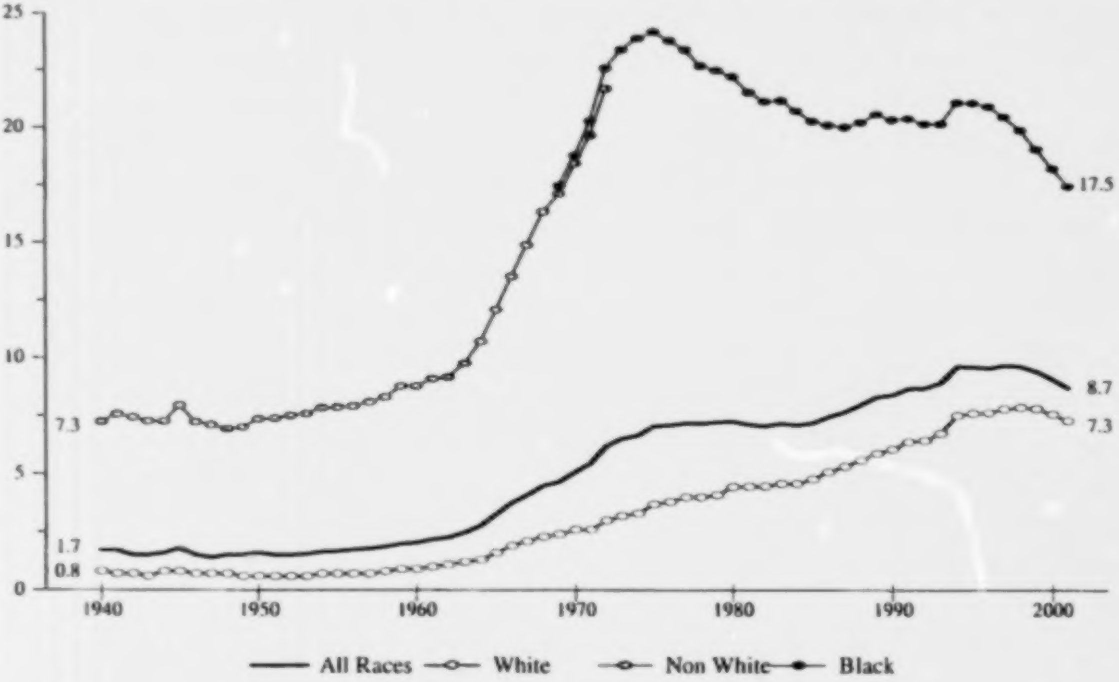
Year	Under 15	15-17 Years	18-19 Years	All Teens	20-24 Years	All Women
1975	87.0	51.4	29.8	39.3	12.3	14.2
1976	86.4	54.1	31.6	41.2	13.3	14.8
1977	88.2	56.6	34.4	43.8	14.7	15.5
1978	87.3	57.5	36.2	44.9	16.4	16.3
1979	88.8	60.0	38.1	46.9	17.7	17.1
1980	88.7	61.5	39.8	48.3	19.3	18.4
1981	89.2	63.3	41.4	49.9	20.4	18.9
1982	89.2	65.0	43.0	51.4	21.3	19.4
1983	90.4	67.5	45.7	54.1	22.9	20.3
1984	91.1	69.2	48.1	56.3	24.5	21.0
1985	91.8	70.9	50.7	58.7	26.3	22.0
1986	92.5	73.3	53.6	61.5	28.7	23.4
1987	92.9	76.2	55.8	64.0	30.8	24.5
1988	93.6	77.1	58.5	65.9	32.9	25.7
1989	92.4	77.7	60.4	67.2	35.1	27.1
1990	91.6	77.7	61.3	67.6	36.9	28.0
1991	91.3	78.7	63.2	69.3	39.4	29.5
1992	91.3	79.2	64.6	70.5	40.7	30.1
1993	91.3	79.9	66.1	71.8	42.2	31.0
1994	94.5	84.1	70.0	75.9	44.9	32.6
1995	93.5	83.7	69.8	75.6	44.7	32.2
1996	93.8	84.4	70.8	76.3	45.6	32.4
1997	95.7	86.7	72.5	78.2	46.6	32.4
1998	96.6	87.5	73.6	78.9	47.7	32.8
1999	96.5	87.7	74.0	79.0	48.5	33.0
2000	96.5	87.7	74.3	79.1	49.5	33.2
2001	96.3	87.8	74.6	79.2	50.4	33.5

Note: Trends in non-marital births may be affected by changes in the reporting of marital status on birth certificates and in procedures for inferring non-marital births when marital status is not reported.

Source: National Center for Health Statistics, "Nonmarital Childbearing in the United States, 1940 - 1999," *National Vital Health Statistics Reports*, Vol. 48 (16), 2000; "Births: Final Data for 2001," *National Vital Statistics Reports*, Vol. 51 (2), December 2002.

NON-MARITAL BIRTH RISK FACTOR 2. BIRTHS TO UNMARRIED TEENS

Figure BIRTH 2. Percentage of All Births to Unmarried Teens Ages 15 to 19, by Race: 1940-2001



Source: National Center for Health Statistics, "Nonmarital Childbearing in the United States, 1940 - 1999," *National Vital Health Statistics Reports*, Vol. 48 (16), 2000; "Births: Final Data for 2001," *National Vital Statistics Reports*, Vol. 51 (2), December 2002.

- In contrast to the earlier Figure BIRTH 1, which showed births to unmarried teens as a percentage of all teen births, Figure BIRTH 2 shows births to unmarried teens as a percentage of births to all women. This percentage fell in the last three years, from 9.7 to 8.7 percent, reversing a long upward trend since 1940. This rate may be affected by several factors: the age distribution of women, the marriage rate among teens, the birth rate among unmarried teens, and the birth rate among all other women.

- The percentage of all births that were to unmarried teens has also dropped among white women over the past four years, declining to 7.3 percent in 2001. This drop is in contrast to the long upward trend, from less than 1 percent in 1960 to nearly 8 percent in 1998.

- Among black women, the percentage of all births that were to unmarried teens fell to 17.5 percent in 2001, the lowest percentage since 1969. This rate has varied greatly since 1940, rising sharply to a peak of 24 percent in 1975, and showing a gradual decline in most years since then. The sharp increase in the late 1960s and early 1970s reflects a 30 percent rise in non-marital teen births among black women concurrent with a 6 percent decline in total black births from 1969 to 1975.

Table BIRTH 2. Percentage of All Births to Unmarried Teens Ages 15 to 19, by Race: 1940-2001

Year	All Races	White	Black
1940	1.7	0.8	N/A
1941	1.7	0.7	N/A
1942	1.5	0.7	N/A
1943	1.5	0.6	N/A
1944	1.6	0.8	N/A
1945	1.8	0.8	N/A
1946	1.5	0.7	N/A
1947	1.4	0.7	N/A
1948	1.5	0.7	N/A
1949	1.5	0.6	N/A
1950	1.6	0.6	N/A
1951	1.5	0.6	N/A
1952	1.5	0.6	N/A
1953	1.6	0.6	N/A
1954	1.7	0.7	N/A
1955	1.7	0.7	N/A
1956	1.7	0.7	N/A
1957	1.8	0.7	N/A
1958	1.9	0.8	N/A
1959	2.0	0.9	N/A
1960	2.0	0.9	N/A
1961	2.2	1.0	N/A
1962	2.3	1.1	N/A
1963	2.5	1.2	N/A
1964	2.8	1.3	N/A
1965	3.3	1.6	N/A
1966	3.8	1.9	N/A
1967	4.1	2.1	N/A
1968	4.5	2.3	N/A
1969	4.7	2.4	17.5
1970	5.1	2.6	18.8
1971	5.5	2.6	20.3
1972	6.2	3.0	22.6
1973	6.5	3.2	23.4
1974	6.7	3.3	23.9

over

Table BIRTH 2. Percentage of All Births to Unmarried Teens Ages 15 to 19, by Race: 1940-2001 (continued)

Year	All Races	White	Black
1975	7.1	3.7	24.2
1976	7.1	3.8	23.8
1977	7.2	4.0	23.4
1978	7.2	4.0	22.7
1979	7.2	4.1	22.5
1980	7.3	4.4	22.2
1981	7.1	4.5	21.5
1982	7.1	4.5	21.2
1983	7.2	4.6	21.2
1984	7.1	4.6	20.7
1985	7.2	4.8	20.3
1986	7.5	5.1	20.1
1987	7.7	5.3	20.0
1988	8.0	5.6	20.3
1989	8.3	5.9	20.6
1990	8.4	6.1	20.4
1991	8.7	6.4	20.4
1992	8.7	6.5	20.2
1993	8.9	6.8	20.2
1994	9.7	7.5	21.1
1995	9.6	7.6	21.1
1996	9.6	7.7	20.9
1997	9.7	7.8	20.5
1998	9.7	7.9	19.9
1999	9.5	7.8	19.1
2000	9.1	7.6	18.3
2001	8.7	7.3	17.5

Note: Trends in non-marital births may be affected by changes in the reporting of marital status on birth certificates and in procedures for inferring non-marital births when marital status is not reported. Beginning in 1980, data are tabulated by the race of the mother. Prior to 1980, data are tabulated by the race of the child. White and black include those of Hispanic origin for all years. Rates for 1981-1989 have been revised and differ, therefore, from rates published in *Vital Statistics in the United States, Vol. 1, Natality*, for 1991 and earlier years.

Source: National Center for Health Statistics, "Nonmarital Childbearing in the United States, 1940 - 1999," *National Vital Health Statistics Reports*, Vol. 48 (16), 2000; "Births: Final Data for 2001," *National Vital Statistics Reports*, Vol. 51 (2), December 2002.

NON-MARITAL BIRTH RISK FACTOR 3. UNMARRIED TEEN BIRTH RATES WITHIN AGE GROUPS

Figure BIRTH 3a. Births per 1,000 Unmarried Teens Ages 15 to 17, by Race: 1960-2001

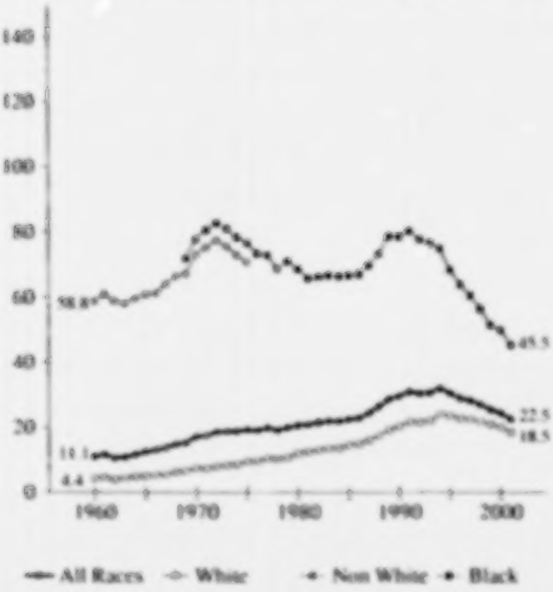
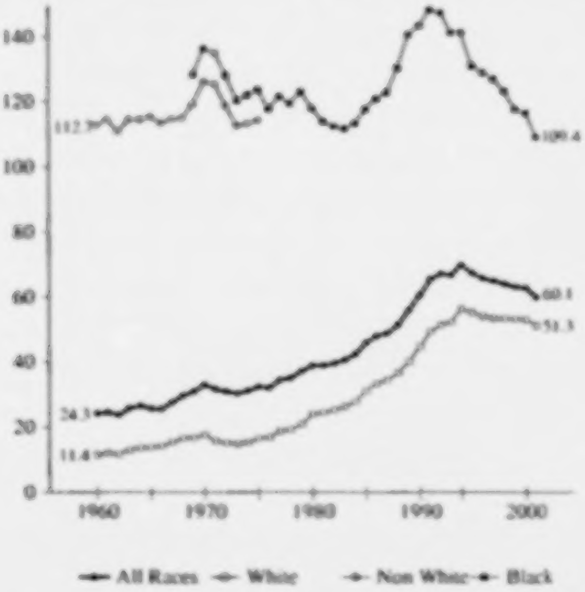


Figure BIRTH 3b. Births per 1,000 Unmarried Teens Ages 18 and 19, by Race: 1960-2001



Source: National Center for Health Statistics, "Nonmarital Childbearing in the United States, 1940 - 1999," *National Vital Health Statistics Reports*, Vol. 48 (16), 2000; "Births: Final Data for 2001," *National Vital Statistics Reports*, Vol. 51 (2), December 2002.

- The birth rate per 1,000 unmarried teens fell between 1994 and 2001 for both black and white teens and for both younger (15 to 17 years) and older age groups (18 and 19 years). The rate for black teens 18 and 19, for example, fell from 142 per 1,000 to 109 per 1,000. Declines were larger among black teens than among white teens.

- Prior to 1994, birth rates among unmarried white teens in both age groups rose steadily for nearly three decades (4 to 24 percent among 15 to 17 year-olds and 11 to 56 percent among 18 and 19 year-olds).

- Among unmarried black teens in both age groups, birth rates varied greatly over the period, reaching peaks in both the early 1970s and early 1990s. Rates for both age groups were lower in 2001 than in 1969. While birth rates among unmarried black teens remain high compared to rates for unmarried white teens, the gap been black and white teens narrowed considerably during the 1990s.

Table BIRTH 3. Births per 1,000 Unmarried Teen Women within Age Groups, by Race: 1960-2001

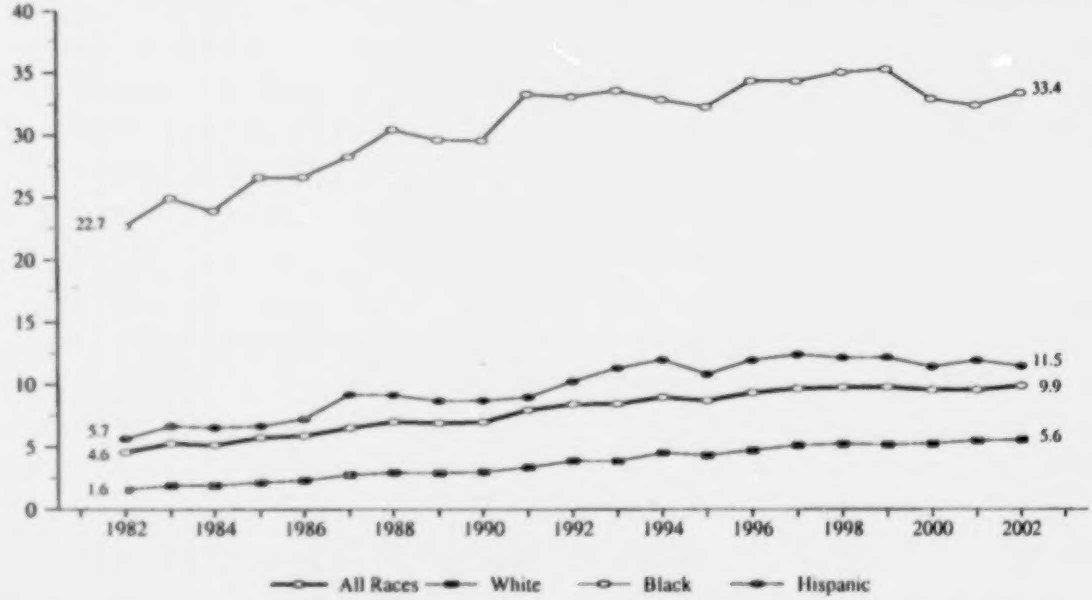
Year	Ages 15-17			Ages 18 and 19		
	All Races	White	Black	All Races	White	Black
1960	11.1	4.4	N/A	24.3	11.4	N/A
1961	11.7	4.6	N/A	24.6	12.1	N/A
1962	10.7	4.1	N/A	23.8	11.7	N/A
1963	10.9	4.5	N/A	25.8	13.0	N/A
1964	11.6	4.9	N/A	26.5	13.6	N/A
1965	12.5	5.0	N/A	25.8	13.9	N/A
1966	13.1	5.4	N/A	25.6	14.1	N/A
1967	13.8	5.6	N/A	27.6	15.3	N/A
1968	14.7	6.2	N/A	29.6	16.6	N/A
1969	15.2	6.6	72.0	30.8	16.6	128.4
1970	17.1	7.5	77.9	32.9	17.6	136.4
1971	17.5	7.4	80.7	31.7	15.8	135.2
1972	18.5	8.0	82.8	30.9	15.1	128.2
1973	18.7	8.4	81.2	30.4	14.9	120.5
1974	18.8	8.8	78.6	31.2	15.3	122.2
1975	19.3	9.6	76.8	32.5	16.5	123.8
1976	19.0	9.7	73.5	32.1	16.9	117.9
1977	19.8	10.5	73.0	34.6	18.7	121.7
1978	19.1	10.3	68.8	35.1	19.3	119.6
1979	19.9	10.8	71.0	37.2	21.0	123.3
1980	20.6	12.0	68.8	39.0	24.1	118.2
1981	20.9	12.6	65.9	39.0	24.6	114.2
1982	21.5	13.1	66.3	39.6	25.3	112.7
1983	22.0	13.6	66.8	40.7	26.4	111.9
1984	21.9	13.7	66.5	42.5	27.9	113.6
1985	22.4	14.5	66.8	45.9	31.2	117.9
1986	22.8	14.9	67.0	48.0	33.5	121.1
1987	24.5	16.2	69.9	48.9	34.5	123.0
1988	26.4	17.6	73.5	51.5	36.8	130.5
1989	28.7	19.3	78.9	56.0	40.2	140.9
1990	29.6	20.4	78.8	60.7	44.9	143.7
1991	30.9	21.8	80.4	65.7	49.6	148.7
1992	30.4	21.6	78.0	67.3	51.5	147.8
1993	30.6	22.1	76.8	66.9	52.4	141.6
1994	32.0	24.1	75.1	70.1	56.4	141.6
1995	30.5	23.6	68.6	67.6	55.4	131.2
1996	29.0	22.7	64.0	65.9	54.1	129.2
1997	28.2	22.4	60.6	65.2	53.6	127.2
1998	27.0	21.8	56.5	64.2	53.5	123.5
1999	25.5	21.0	51.5	63.3	53.3	117.9
2000	24.4	20.0	49.9	62.9	53.2	116.9
2001	22.5	18.5	45.5	60.1	51.3	109.4

Note: Rates are per 1,000 unmarried women in specified group. Trends in non-marital births may be affected by changes in the reporting of marital status on birth certificates and in procedures for inferring non-marital births when marital status is not reported. Beginning in 1980, data are tabulated by the race of the mother. Prior to 1980, data are tabulated by the race of the child. White and black include those of Hispanic origin for all years. Rates for 1981-1989 have been revised and differ, therefore, from rates published in *Vital Statistics in the United States, Vol. I, Natality*, for 1991 and earlier years.

Source: National Center for Health Statistics, "Nonmarital Childbearing in the United States, 1940 - 1999," ***National Vital Health Statistics Reports***, Vol. 48 (16), 2000; "Births: Final Data for 2001," ***National Vital Statistics Reports***, Vol. 51 (2), December 2002.

NON-MARITAL BIRTH RISK FACTOR 4. NEVER-MARRIED FAMILY STATUS

Figure BIRTH 4. Percentage of All Children Living in Families with a Never-Married Female Head, by Race: 1982-2002



Source of CPS data: U.S. Bureau of the Census, "Marital Status and Living Arrangements," *Current Population Reports*, Series P20-212, 287, 365, 380, 399, 418, 423, 433, 445, 450, 461, 468, 478, 484, 491, 496, 506, 514, 537 various years, and ASPE tabulations of the CPS for 2001 and 2002.

Source of 1960 data: U.S. Bureau of the Census, 1960 Census of Population, PC(2)-4B, "Persons by Family Characteristics," tables 1 and 19.

- The percentage of children living in families with never-married female heads increased from under 5 percent in 1982 to nearly 10 percent in 2002.

- The percentage of white children living in families headed by never-married women has continued to rise over the past twenty years, from less than 2 percent in 1982 to 5.6 percent in 2002.

- Among Hispanics, the percentage of children living with never-married female heads more than doubled over the past sixteen years, going from less than 6 percent in 1982 to 12 percent in 1996. Since then it has fluctuated up and down by about one-half a percentage point.

- The percentage of black children living in families headed by never-married women was much higher than the percentages for other groups throughout the time period. However, at 33 percent in 2002, it is two percentage points below its peak in 1999.

Table BIRTH 4. Number and Percentage of All Children Living in Families with a Never-Married Female Head, by Race: Selected Years

	Number of Children (in thousands)				Percentage			
Year	All Races	White	Black	Hispanic	All Races	White	Black	Hispanic
1960	221	49	173	–	0.4	0.1	2.2	–
1970	527	110	442	–	0.8	0.2	5.2	–
1975	1,166	296	864	–	1.8	0.5	9.9	–
1980	1,745	501	1,193	210	2.9	1.0	14.5	4.0
1982	2,768	793	1,947	291	4.6	1.6	22.7	5.7
1984	3,131	959	2,109	357	5.2	1.9	23.9	6.5
1986	3,606	1,174	2,375	451	5.9	2.3	26.6	7.2
1987	3,985	1,385	2,524	587	6.5	2.8	28.2	9.2
1988	4,302	1,482	2,736	600	7.0	3.0	30.4	9.2
1989	4,290	1,483	2,695	592	6.9	2.9	29.6	8.7
1990	4,365	1,527	2,738	605	7.0	3.0	29.6	8.7
1991	5,040	1,725	3,176	644	8.0	3.4	33.3	9.0
1992	5,410	2,016	3,192	757	8.4	3.9	33.1	10.3
1993	5,511	2,015	3,317	848	8.5	3.9	33.6	11.3
1994	6,000	2,412	3,321	1,083	9.0	4.5	32.9	12.0
1995	5,862	2,317	3,255	1,017	8.7	4.3	32.3	10.8
1996	6,365	2,563	3,567	1,161	9.4	4.8	34.4	12.0
1997	6,598	2,788	3,575	1,242	9.7	5.1	34.3	12.4
1998	6,700	2,850	3,644	1,254	9.8	5.2	35.1	12.2
1999	6,736	2,826	3,643	1,297	9.8	5.2	35.3	12.2
2000	6,591	2,881	3,413	1,256	9.5	5.3	32.9	11.4
2001	6,636	3,014	3,382	1,340	9.6	5.5	32.4	11.9
2002	6,872	3,048	3,573	1,400	9.9	5.6	33.4	11.5

Note: Data are for all children under 18 who are not family heads (excludes householders, subfamily reference persons, and their spouses). Also excludes inmates of institutions; children who are living with neither of their parents are excluded from the denominator. Based on Current Population Survey (CPS) except 1960, 1970, and 1980, which are based on decennial census data. Nonwhite data are shown for Black in 1960. In 1982, improved data collection and processing procedures helped to identify parent-child subfamilies. (See *Current Population Reports*, P-20, 399, Marital Status and Living Arrangements: March 1984.)

Source of CPS data: U.S. Bureau of the Census, "Marital Status and Living Arrangements," *Current Population Reports*, Series P20-212, 287, 365, 380, 399, 418, 423, 433, 445, 450, 461, 468, 478, 484, 491, 496, 506, 514, 537, various years, and ASPE tabulations of the CPS for 2001 and 2002.

Source of 1960 data: U.S. Bureau of the Census, 1960 Census of Population, PC(2)-4B, "Persons by Family Characteristics," tables 1 and 19.

Appendix A

Program Data

Appendix A. Program Data

The Welfare Indicators Act of 1994 specifies that the annual welfare indicators reports shall include analyses of families and individuals receiving assistance under three means-tested benefit programs: the Aid to Families with Dependent Children (AFDC) program authorized under part A of title IV of the Social Security Act (replaced with the Temporary Assistance for Needy Families (TANF) program by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996), the Food Stamp Program under the Food Stamp Act of 1977, as amended, and the Supplemental Security Income (SSI) program under title XVI of the Social Security Act. This chapter includes information on these three programs, derived primarily from administrative data reported by state and federal agencies instead of the national survey data presented in previous chapters. National caseloads and expenditure trend information on each of the three programs is included, as well as state-by-state trend tables and information on the characteristics of program participants.

Aid to Families with Dependent Children (AFDC) and Temporary Assistance for Needy Families (TANF)

Aid to Families with Dependent Children (AFDC) was established by the Social Security Act of 1935 as a grant program to enable states to provide cash welfare payments for needy children who had been deprived of parental support or care because their father or mother was absent from the home, incapacitated, deceased, or unemployed. All 50 states, the District of Columbia, Guam, Puerto Rico, and the Virgin Islands operated an AFDC program. States defined "need," set their own benefit levels, established (within federal limitations) income and resource limits, and administered the program or supervised its administration. States were entitled to unlimited federal funds for reimbursement of benefit payments, at "matching" rates that were inversely related to state per capita income. States were required to provide aid to all persons who were in classes eligible under federal law and whose income and resources were within state-set limits.

During the 1990s, the federal government increasingly used its authority under section 1115 of the Social Security Act to waive portions of the federal requirements under AFDC. This allowed states to test such changes as expanded earned income disregards, increased work requirements and stronger sanctions for failure to comply with them, time limits on benefits, and expanded access to transitional benefits such as child care and medical assistance. As a condition of receiving waivers, states were required to conduct rigorous evaluations of the impacts of these changes on the welfare receipt, employment, and earnings of participants.

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) replaced AFDC, AFDC administration, the Job Opportunities and Basic Skills Training (JOBS) program and the Emergency Assistance (EA) program with a cash welfare block grant called the Temporary Assistance for Needy Families (TANF) program. Key elements of TANF include a lifetime limit of five years (60 months) on the amount of time a family with an adult can receive assistance funded with federal funds, increasing work participation rate requirements which states must meet, and broad state flexibility on program design. Spending through the TANF block grant is capped and funded at $16.5 billion per year, slightly above fiscal year 1995 federal expenditures for the four component programs. States must also meet a "maintenance of effort

(MOE) requirement" by spending on needy families at least 75 percent of the amount of state funds used in FY 1994 on these programs (80 percent if they fail work participation rate requirements).

TANF gives states wide latitude in spending both Federal TANF funds and state MOE funds. Subject to a few restrictions, TANF funds may be used in any way that supports one of the four statutory purposes of TANF: to provide assistance to needy families so that children can be cared for at home; to end the dependence of needy parents on government benefits by promoting job preparation, work and marriage; to prevent and reduce the incidence of out-of-wedlock pregnancies; and to encourage the formation and maintenance of two-parent families.

Recent Legislative Action

Legislative authority for the TANF block grant program expired September 2002. In February 2002, President Bush proposed a plan, Working Toward Independence, to strengthen welfare reform, in order to help families remaining on welfare and other low-income families move toward self-sufficiency. In May 2002, the House of Representatives passed HR 4737, the Personal Responsibility, Work, and Family Promotion Act of 2002, which incorporated all of the key elements of the President's plan. The Senate did not take up welfare reform legislation in the 107th Congress, so the program was temporarily extended. In February 2003, the House of Representatives passed HR 4, the Personal Responsibility, Work, and Family Promotion Act of 2003, an updated version of HR 4737, which would implement all of the key elements of the President's plan. Senate action is expected in 2003.

Data Issues Relating to the AFDC-TANF Transition

States had the option of beginning their TANF programs as soon as PRWORA was enacted in August 1996, and a few states began TANF programs as early as September 1996. All states were required to implement TANF by July 1, 1997. Because states implemented TANF at different times, the FY 1997 data reflect a combination of the AFDC and TANF programs. In some states, limited data are available for FY 1997 because states were given a transition period of six months after they implemented TANF before they were required to report data on the characteristics and work activities of TANF participants.

Because of the greatly expanded range of activities allowed under TANF, a substantial portion of TANF funds are being spent on activities other than cash payments to families. When tracking overall expenditure trends, the tables in this Appendix (e.g., Table TANF 3) include only those TANF funds spent on "cash and work-based assistance" and "administrative costs," not on work activities, supportive services, or other allowable uses of funds. Spending on these other activities is detailed in Table TANF 5. Note that TANF administrative costs include funds spent administering all activities, not just cash and work-based assistance. (Administrative costs under AFDC had included a small amount of funds for administering AFDC child care programs; such programs, and the costs of administering them, were transferred to the Child Care and Development Fund as part of PRWORA).

There also is potential for discontinuity between the AFDC and the TANF caseload figures. For example, under TANF there is no longer a separate "Unemployed Parent" (UP) program, as there was under AFDC. While a separate work participation rate is calculated for two-parent families, this population is not identical to the UP caseload under AFDC. Another program change is that under TANF some states provide cash and other forms of assistance to specific categories of families (e.g., two-parent families) under Separate State Programs; the TANF caseload figures do not include these families. Finally, it is possible that a limited number of families will be considered recipients of TANF assistance, even if they do not receive a monthly cash benefit. At present, the vast majority of families receiving "assistance"[1] are, in fact, receiving cash payments; however, this may change over time.

AFDC/TANF Program Data

The following tables and figures present data on caseloads, expenditures, and recipient characteristics of the AFDC and TANF programs. Trends in national caseloads and expenditures are shown in Figure TANF 1 and the first set of tables (Tables TANF 1-6). These are followed by information on characteristics of AFDC/TANF families (Table TANF 7) and a series of tables presenting state-by-state data on trends in the AFDC/TANF program (Tables TANF 8-13). These data complement the data on trends in AFDC recipiency and participation rates shown in Tables IND 4a and IND 5a in Chapter II.

AFDC/TANF Caseload Trends (Figure TANF 1, Tables TANF 1-2). Welfare caseloads have declined dramatically during the past several years. In fiscal year 2001, the average monthly number of TANF recipients was 5.4 million persons, 57 percent lower than the average monthly AFDC caseload in fiscal year 1996 and the smallest number of people on welfare since 1968. From the peak of 14.4 million in March 1994, the number of AFDC/TANF recipients dropped by 65 percent to 5.0 million in September 2002. Over three-fourths of the reduction in the caseload since March 1994 has occurred following the implementation of TANF. These are the largest welfare caseload declines in the history of U.S. welfare programs.

As shown in Figure TANF 1, AFDC caseloads generally tended to increase in times of economic recession and decline in times of economic growth. The recent decline, however, has far outstripped that experienced in any previous period.

Several studies have attempted to explain the unprecedented decline in caseloads and, specifically, to disentangle the effects of PRWORA and welfare reform from the simultaneous growth in the U.S. economy. Separating these effects is difficult, however, because PRWORA was enacted at a time when the economy was expanding dramatically, offering a uniquely conducive environment within which to move many recipients off the welfare rolls and into the labor market. Other policy changes, most notably expansions in the Earned Income Tax credit, add further complexity.

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[1] States are allowed to use TANF funds on a variety of services, including employment and training services, domestic violence services, child care, transportation, and other support services. Families receiving such services, however, generally should not be counted as recipients of TANF "assistance." Under the final regulations for TANF, "assistance" primarily includes payments directed at ongoing basic needs. It includes payments when individuals are participating in community service and work experience (or other work activities) as a condition of receiving payments (e.g., workfare). In addition to cash assistance, the definition also includes certain child care and transportation benefits (provided the families are not employed). It excludes, however, such things as: non-recurrent, short-term benefits; services without a cash value, such as education and training, case management, job search, and counseling; and benefits such as child care and transportation when provided to employed families.

In general, studies have found that both economic conditions and welfare reform policies have played important roles in the recent caseload decline. A review of a dozen studies concluded that roughly 15 to 30 percent of the caseload decline prior to 1996 was attributed by most studies to welfare policies under waivers to the AFDC rules with approximately 30 to 45 percent of the decline explained by economic conditions (Schoeni and Blank, 2000). A study by the Council of Economic Advisers (1999) of the post-PRWORA period finds that just over one-third of caseload decline can be explained by welfare reform policy, while 8 to 10 percent is due to the economy. A more recent study estimates that over half the decline in caseloads after enactment of PRWORA were attributable to welfare reform (O'Neill and Hill, 2001).

AFDC/TANF Expenditures (Tables TANF 3-6 and Figure TANF 2). Tables TANF 3, 4 and 5 show trends in expenditures on AFDC and TANF. Table TANF 3 tracks both programs, breaking out the costs of benefits and administrative expenses. It also shows the division between federal and state spending. Table TANF 4 breaks out the benefits paid under the single parent or "basic" program and the Unemployed Parent (UP) program, and also nets out the value of child support collected on behalf of recipient children, but retained by the state to reimburse welfare expenditures. This table presents data through 1996 only, because the TANF data reporting requirements do not require that caseload data be separated into "basic" and "UP" components. Table TANF 5 shows the variety of activities funded under the TANF program.

Figure TANF 2 and Table TANF 6 show that inflation has had a significant effect in eroding the value of the average monthly AFDC/TANF benefit. In real dollars, the average monthly benefit per recipient in 2001 was 62 percent of what it was at its peak in the late 1970s.

AFDC/TANF Recipient Characteristics (Table TANF 7). With the dramatic declines in the welfare rolls since the implementation of TANF, there has been a great deal of speculation regarding how the composition of the caseload has changed. Two striking trends are the increases in the proportion of child-only cases and in employment among adult recipients.

One of the most dramatic trends is the recent jump in the proportion of adult recipients who are working. In FY 2001, 27 percent of TANF adult recipients were employed, up from 11 percent in FY 1996 and 7 percent in FY 1992, as shown in Table TANF 7. Adding in those in work experience and community service positions, the percentage working was at an all-time high of 33 percent in FY 2001 (data not shown). Similar upward trends are shown in data on income from earnings. These trends likely reflect positive effects of welfare-to-work programs, the strong economy, and the fact that, with larger earnings disregards, families with earnings do not exit welfare as rapidly. In addition, the increased employment of welfare recipients is consistent with broader trends in labor force participation among mothers with young children. Among single mothers with children under six and family income below 200 percent of the Federal poverty level, for example, the employment rate increased from 35 percent in 1992 to 59 percent in 2000 (data not shown). In addition, employment rates for white and black women ages 18 to 65 with no more than a high school education were at all-time highs in 1999, and for Hispanic women in 2000. There was some leveling off among all three groups in 2001 (as shown in

WORK 2 in Chapter III).

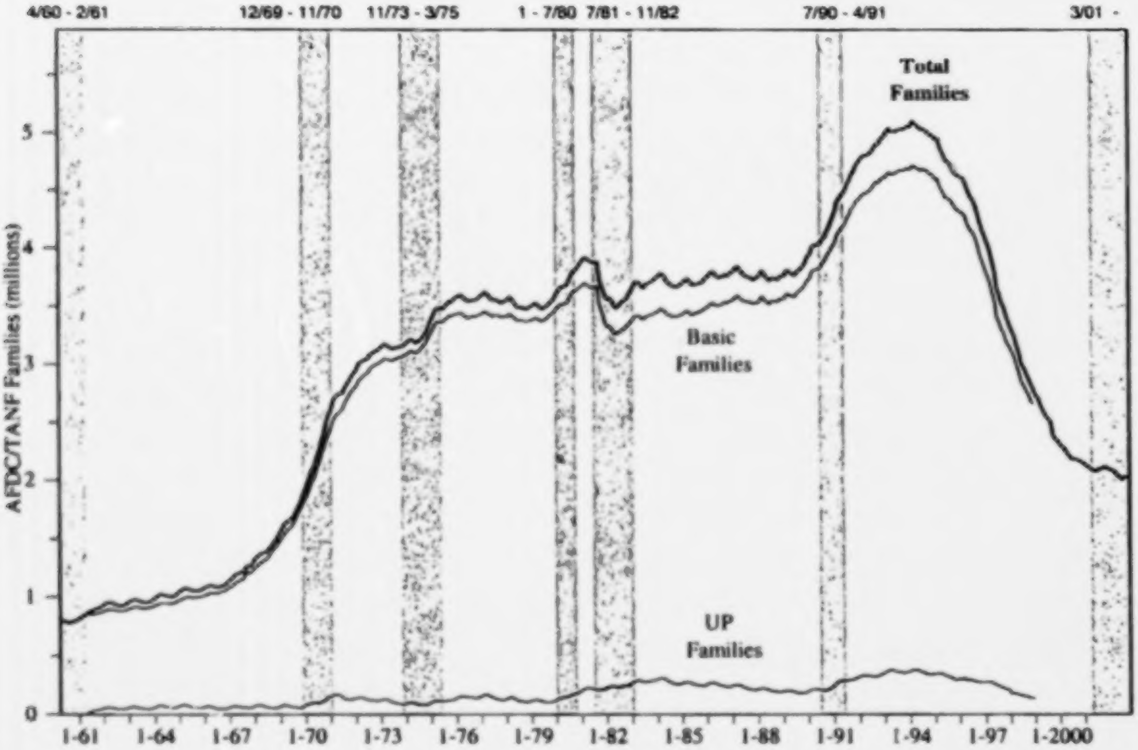
Another dramatic change in the caseload is the increasing fraction of cases without an adult recipient (i.e., child-only cases). Such cases occur when the adults are ineligible (because they are a caretaker relative, SSI parent, immigrant parent, or sanctioned parent). Child-only cases have climbed from 11.6 percent of the caseload in FY 1990 to 37.1 percent in FY 2001. This dramatic growth has been due to both the overall decline in the number of adult-present cases as well as an increase in the number of child-only cases. Child-only cases are generally not subject to the work requirements or time limits under TANF.

In other areas, the administrative data show fewer changes in composition than might have been expected. There has been widespread anecdotal evidence that the most job ready recipients – those with the fewest barriers to employment – have already exited the welfare caseload and have stopped coming onto the welfare rolls, leaving a more disadvantaged population remaining. However, as the expectations for welfare recipients have increased, and fewer recipients are totally exempted from work requirements, others have speculated that the most disadvantaged recipients may also have been sanctioned off the rolls or terminated for failure to comply with administrative requirements. In fact, analyses of program data have not found much evidence of an increase or decline in readily observed barriers to employment in the current caseload.

The question of whether the caseload has become more disadvantaged cannot be answered simply through administrative data provided by the states, which do not contain detailed information on such barriers to employment as lack of basic skills, alcohol and drug abuse, domestic violence, and disabilities. A few recent studies have found very high levels of these barriers among the TANF population. These studies also have found that the effects of these barriers are interactive; while any one barrier to employment can often be overcome, the more barriers a recipient faces, the less likely she is to find a job and maintain consistent employment over a period of time.

AFDC/TANF State-by-State Trends (Tables TANF 8-14). There is a great deal of state-to-state variation in the trends discussed above. For example, as shown in Table TANF 10, while every state has experienced a caseload decline since 1993, the percentage change between the state's caseload peak and September 2002 ranges from 94 percent (Wyoming) to 29 percent (Nevada). Six states have experienced caseload declines of 75 percent or more. Table TANF 10 also shows that states reached their peak caseloads as early as May 1990 (Louisiana) and as late as June 1997 (Hawaii).

Figure TANF 1. AFDC/TANF Families Receiving Income Assistance



Note: "Basic families" are single-parent families and "UP families" are two-parent cases receiving benefits under AFDC Unemployed Parent programs that operated in certain states before FY 1991 and in all states after October 1, 1990. The AFDC Basic and UP programs were replaced by TANF as of July 1, 1997 under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. Shaded areas indicate NBER designated periods of recession from peak to trough. The decrease in number of families receiving assistance during the 1981-82 recession stems from changes in eligibility requirements and other policy changes mandated by OBRA 1981. Last data point plotted is September 2002.

Source: U.S. Department of Health and Human Services, Administration for Children and Families, Office of Planning, Research, and Evaluation.

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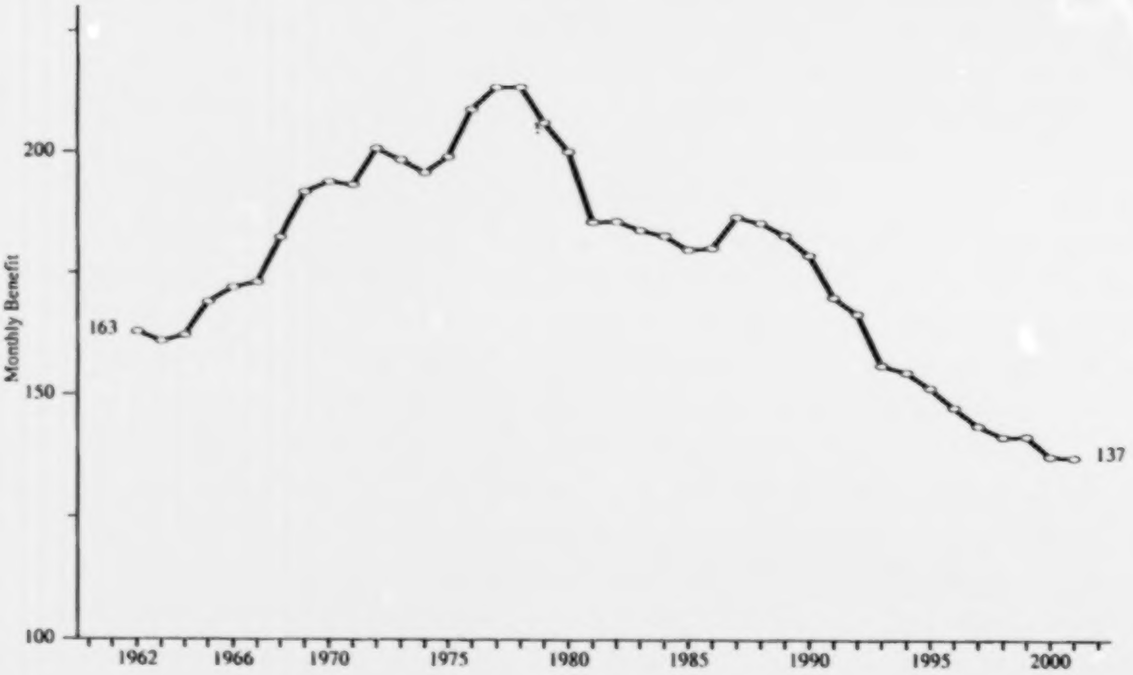
Figure TANF 2. Average Monthly AFDC/TANF Benefit per Recipient in Constant Dollars



Note: See Table TANF 6 for underlying data.

Source: U.S. Department of Health and Human Services, Administration for Children and Families, Office of Family Assistance, *Quarterly Public Assistance Statistics, 1992 & 1993* plus unpublished data and *Fifth TANF Annual Report to Congress, 2003.*

Table TANF 1. Trends in AFDC/TANF Caseloads, 1962 – 2001

	Average Monthly Number (In thousands)					Children as a Percent of Total Recipients	Average[1] Number of Children per Family
Fiscal Year	Total Families[1]	Total Recipients	Unemployed Parent Families	Unemployed Parent Recipients	Total Children		
1962	924	3,593	48	224	2,778	77.3	3.0
1963	950	3,834	54	291	2,896	75.5	3.0
1964	984	4,059	60	343	3,043	75.0	3.1
1965	1,037	4,323	69	400	3,242	75.0	3.1
1966	1,074	4,472	62	361	3,369	75.3	3.1
1967	1,141	4,718	58	340	3,560	75.5	3.1
1968	1,310	5,349	67	377	4,013	75.0	3.1
1969	1,539	6,146	66	360	4,591	74.7	3.0
1970	1,906	7,415	78	420	5,484	74.0	2.9
1971	2,531	9,557	143	726	6,963	72.9	2.8
1972	2,918	10,632	134	639	7,698	72.4	2.6
1973	3,123	11,038	120	557	7,967	72.2	2.6
1974	3,170	10,845	93	434	7,825	72.2	2.5
1975	3,342	11,067	100	451	7,928	71.6	2.4
1976	3,549	11,369	135	593	8,072	71.0	2.3
1977	3,575	11,108	149	659	7,818	70.4	2.2
1978	3,528	10,663	128	567	7,475	70.1	2.1
1979	3,493	10,311	114	504	7,194	69.8	2.1
1980	3,642	10,598	141	612	7,322	69.1	2.0
1981	3,871	11,160	208	881	7,614	68.2	2.0
1982	3,569	10,431	232	976	6,975	66.9	2.0
1983	3,651	10,659	272	1,144	7,051	66.1	1.9
1984	3,725	10,866	287	1,222	7,153	65.8	1.9
1985	3,692	10,813	261	1,131	7,165	66.3	1.9
1986	3,748	10,997	254	1,102	7,300	66.4	1.9
1987	3,784	11,065	236	1,035	7,381	66.7	2.0
1988	3,748	10,920	210	929	7,325	67.1	2.0
1989	3,771	10,934	193	856	7,370	67.4	2.0
1990	3,974	11,460	204	899	7,755	67.7	2.0
1991	4,374	12,592	268	1,148	8,513	67.6	1.9
1992	4,768	13,625	322	1,348	9,226	67.7	1.9
1993	4,981	14,143	359	1,489	9,560	67.6	1.9
1994	5,046	14,226	363	1,510	9,611	67.6	1.9
1995	4,879	13,659	335	1,384	9,280	67.9	1.9
1996	4,543	12,645	293	1,241	8,671	68.6	1.9
1997[2]	3,937	10,935	275[3]	1,158[3]	7,781[3]	71.2[3]	2.0[3]
1998	3,200	8,790	179	754[4]	6,273	71.4	2.0
1999	2,674	7,188	NA	NA	5,319	74.0	2.0
2000	2,265	5,943	NA	NA	4,385	73.8	1.9
2001	2,117	5,420	NA	NA	4,055	74.8	1.9

[1] Includes unemployed parent families and child-only cases.

[2] The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 repealed the AFDC program as of July 1, 1997 and replaced it with the Temporary Assistance to Needy Families (TANF) program.

[3] Based on data from the old AFDC reporting system which was available only for the first 9 months of the fiscal year.

[4] Estimated based on the ratio of Unemployed Parent recipients to Unemployed Parent families in 1997.

Source: U.S. Department of Health and Human Services, Administration for Children and Families, Office of Planning, Research and Evaluation, (Available online at http://www.acf.dhhs.gov/).

Table TANF 2. Number of AFDC/TANF Recipients, and Recipients as a Percentage of Various Population Groups, 1970 – 2001

Calendar Year [1]	Total Recipients in the States & DC (in thousands)	Child Recipients in the States & DC (in thousands)	Recipients as a Percent of Total Population [2]	Recipients as a Percent of Poverty Population [3]	Recipients as a Percent of Pretransfer Poverty Population [4]	Child Recipients as a Percent of Total Child Population [2]	Child Recipients as a Percent of Children in Poverty [3]
1970	8,303	6,104	4.1	32.7	NA	8.8	58.5
1971	10,043	7,303	4.9	39.3	NA	10.5	69.2
1972	10,736	7,766	5.1	43.9	NA	11.2	75.5
1973	10,738	7,763	5.1	46.7	NA	11.3	80.5
1974	10,621	7,637	5.0	45.4	NA	11.3	75.2
1975	11,131	7,928	5.2	43.0	NA	11.8	71.4
1976	11,098	7,850	5.1	44.4	NA	11.8	76.4
1977	10,856	7,632	4.9	43.9	NA	11.7	74.2
1978	10,387	7,270	4.7	42.4	NA	11.2	73.2
1979	10,140	7,057	4.5	38.9	53.1	11.0	68.0
1980	10,599	7,295	4.7	36.2	49.2	11.4	63.2
1981	10,893	7,397	4.7	34.2	47.1	11.7	59.2
1982	10,161	6,767	4.4	29.5	40.6	10.8	49.6
1983	10,569	6,967	4.5	29.9	41.9	11.1	50.1
1984	10,643	7,017	4.5	31.6	43.6	11.2	52.3
1985	10,672	7,073	4.5	32.3	45.0	11.3	54.4
1986	10,850	7,206	4.5	33.5	46.6	11.5	56.0
1987	10,841	7,240	4.5	33.6	46.7	11.5	55.9
1988	10,728	7,201	4.4	33.8	47.7	11.4	57.8
1989	10,798	7,286	4.4	34.3	47.6	11.5	57.9
1990	11,497	7,781	4.6	34.2	47.1	12.1	57.9
1991	12,728	8,601	5.0	35.6	49.1	13.2	60.0
1992	13,571	9,189	5.3	35.7	50.8	13.8	60.1
1993	14,007	9,460	5.4	35.7	48.5	14.0	60.2
1994	13,970	9,448	5.3	36.7	50.0	13.8	61.8
1995	13,241	9,013	5.0	36.4	50.1	13.0	61.5
1996	12,156	8,355	4.5	33.3	46.4	11.9	57.8
1997	10,224	7,340 [5]	3.7	28.7	40.7	10.4	52.0
1998	8,215	5,781	3.0	23.8	34.7	8.1	42.9
1999	6,709	4,836	2.4	20.8	30.9	6.7	39.9
2000	5,700	4,181	2.0	18.2	27.9	5.8	36.1
2001	5,273	3,917	1.9	16.0	25.1	5.4	33.4

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[1] Total recipients are calculated here as the monthly average for the calendar year in order to compare with the calendar year counts of the poverty populations used to compute the recipiency rates. See Table IND 3a for fiscal year recipiency rates.

[2] Population numbers used as denominators are resident population. See *Current Population Reports*, Series P25-1106.

[3] For poverty population data see *Current Population Reports*, Series P60-210 and Resident Population Estimates of the United States by Age and Sex, April 1, 1990 to July 1, 2000, Internet release date January 2, 2001.

[4] The pretransfer poverty population used as denominator is the number of all persons in families with related children under 18 years of age whose income (cash income plus social insurance plus Social Security but before taxes and means-tested transfers) falls below the appropriate poverty threshold. See Appendix J, Table 20, *1992 Green Book*; data for subsequent years are unpublished Congressional Budget Office tabulations.

[5] Average for January through June of 1997.

Source: U.S. Department of Health and Human Services, Administration for Children and Families, Office of Family Assistance and U.S. Bureau of the Census, "Poverty in the United States: 2001," *Current Population Reports*, Series P60-219 and earlier years, (Available online at http://www.census.gov/hhes/www/poverty.html).

Table TANF 3. Total AFDC/TANF Expenditures on Cash Benefits and Administration, 1970 – 2001

[In millions of dollars]

	Federal Funds (Current Dollars)		State Funds (Current Dollars)		Total (Current Dollars)		Total (Constant 2001 Dollars [1])	
Fiscal Year	Benefits	Administrative	Benefits	Administrative	Benefits	Administrative	Benefits	Administrative
1970	$2,187	$572 [2]	$1,895	$309	$4,082	$881 [2]	17,813	3,845
1971	3,008	271	2,469	254	5,477	525	22,881	2,193
1972	3,612	240 [3]	2,942	241	6,554	481 [3]	26,441	NA
1973	3,865	313	3,138	296	7,003	610	27,135	2,364
1974	4,071	379	3,300	362	7,371	740	26,306	2,641
1975	4,625	552	3,787	529	8,412	1,082	27,362	3,519
1976	5,258	541	4,418	527	9,676	1,069	29,463	3,255
1977	5,626	595	4,762	583	10,388	1,177	29,444	3,336
1978	5,724	631	4,898	617	10,621	1,248	28,243	3,319
1979	5,825	683	4,954	668	10,779	1,350	26,357	3,301
1980	6,448	750	5,508	729	11,956	1,479	26,282	3,251
1981	6,928	835	5,917	814	12,845	1,648	25,675	3,294
1982	6,922	878	5,934	878	12,857	1,756	24,012	3,279
1983	7,332	915	6,275	915	13,607	1,830	24,305	3,269
1984	7,707	876	6,664	822	14,371	1,698	24,622	2,909
1985	7,817	890	6,763	889	14,580	1,779	24,113	2,942
1986	8,239	993	6,996	967	15,235	1,960	24,574	3,161
1987	8,914	1,081	7,409	1,052	16,323	2,133	25,603	3,346
1988	9,125	1,194	7,538	1,159	16,663	2,353	25,108	3,546
1989	9,433	1,211	7,807	1,206	17,240	2,417	24,791	3,476
1990	10,149	1,358	8,390	1,303	18,539	2,661	25,396	3,645
1991	11,165	1,373	9,191	1,300	20,356	2,673	26,544	3,486
1992	12,258	1,459	9,993	1,378	22,250	2,837	28,160	3,591
1993	12,270	1,518	10,016	1,438	22,286	2,956	27,380	3,632
1994	12,512	1,680	10,285	1,621	22,797	3,301	27,285	3,951
1995	12,019	1,770	10,014	1,751	22,032	3,521	25,655	4,101
1996	11,065	1,633	9,346	1,633	20,411	3,266	23,126	3,700
1997 [4]	9,748	1,273	7,799	1,098	17,547	2,371	19,359	2,616
1998	7,518	1,231	7,096	1,028	14,614	2,259	15,864	2,453
1999	6,475	1,407	6,975	884	13,449	2,291	14,327	2,440
2000	5,444	1,570	5,736	1,032	11,180	2,302	11,540	2,686
2001	4,772	1,598	5,390	1,042	10,163	2,639	10,163	2,639

Note: Benefits do not include emergency assistance payments and have not been reduced by child support collections. Foster care payments are included from 1971 to 1980. Beginning in fiscal year 1984, the cost of certifying AFDC households for food stamps is shown in the food stamp program's appropriation under the U.S. Department of Agriculture. Administrative costs include: Work Program, ADP, FAMIS, Fraud Control, Child Care administration (through 1996), SAVE and other State and local administrative expenditures.

[1] Constant dollar adjustments to 2001 level were made using a CPI-U-X1 fiscal year price index.

[2] Includes expenditures for services.

[3] Administrative expenditures only.

[4] The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 repealed the AFDC program as of July 1, 1997 and replaced it with the Temporary Assistance to Needy Families (TANF) program. Under PRWORA, spending categories are not entirely equivalent to those under AFDC: for example administrative expenses under TANF do not include IV-A child care administration (which accounted for 4 percent of 1996 administrative expense).

Source: U.S. Department of Health and Human Services, Administration for Children and Families, Office of Financial Systems.

Table TANF 4. Federal and State AFDC Benefit Payments Under the Single Parent and Unemployed Parent Programs, Fiscal Years 1970 to 1996

[In millions of current and 1996 dollars]

Fiscal Year	(1) Single Parent [1]	(2) Unemployed Parent	(3) Child Support Collections [2]	(4) Net Benefits [3] (1) + (2) minus (3)	(5) Net Benefits (1996 dollars) [4]
1970	3,851	231	0	4,082	15,722
1971	4,993	412	0	5,405	19,882
1972	5,972	422	0	6,394	22,715
1973	6,459	414	0	6,873	22,504
1974	6,881	324	0	7,205	22,740
1975	7,791	362	0	8,153	23,363
1976	8,825	525	245	9,105	24,469
1977	9,420	617	395	9,642	24,121
1978	9,624	565	459	9,730	22,870
1979	9,865	522	584	9,803	21,156
1980	10,847	693	593	10,947	21,186
1981	11,769	1,075	659	12,185	21,472
1982	11,601	1,256	771	12,086	19,879
1983	12,136	1,471	865	12,742	20,128
1984	12,759	1,612	983	13,388	20,264
1985	13,024	1,556	901	13,679	19,967
1986	13,672	1,563	951	14,284	20,335
1987	14,807	1,516	1,070	15,252	21,115
1988	15,243	1,420	1,196	15,466	20,569
1989	15,889	1,350	1,286	15,952	20,246
1990	17,059	1,480	1,416	17,123	20,702
1991	18,529	1,827	1,603	18,753	21,583
1992	20,130	2,121	1,824	20,426	22,816
1993	19,988	2,298	1,971	20,315	22,028
1994	20,393	2,404	2,093	20,704	21,871
1995	19,820	2,212	2,215	19,817	20,367
1996	18,438	1,973	2,374	18,037	18,037

[1] Includes payments to two-parent families where one adult is incapacitated.

[2] Total AFDC collections (including collections on behalf of foster care children) less payments to AFDC families.

[3] Net AFDC benefits--Gross benefits less those reimbursed by child support collections.

[4] Constant dollar adjustments to 1996 level were made using a CPI-U-XI fiscal year price index.

Note: Data are not available after 1996 because the TANF data reporting requirements do not require that caseload data be separated into single parent and unemployed parent components.

Source: U.S. Department of Health and Human Services, Administration for Children and Families, Office of Financial Management.

Table TANF 5. Federal and State TANF Program and Other Related Spending
Fiscal Years 1997 to 2001

(Millions)

	Cash & Work-Based Assistance	Work Activities	Child Care	Trans-portation	Adminis-tration	Systems	Transitional Services	Other Expenditures	Total Expenditures
					Federal TANF Grants				
1997	7,708	467	14	–	872	109	0	862	10,032
1998	7,168	763	252	–	938	224	6	1,136	10,487
1999	6,475	1,225	604	–	1,070	337	17	1,595	11,323
2000	5,444	1,606	1,553	496	1,328	242	–	2,715	13,384
2001	4,772	1,983	1,583	522	1,375	223	–	4,325	14,782
					State Maintenance of Effort Expenditures in the TANF Program				
1997	5,955	311	752	–	704	101	9	926	8,758
1998	6,879	520	890	–	883	138	11	1,301	10,623
1999	6,541	503	1,135	–	743	118	23	1,334	10,397
2000	5,432	884	1,893	150	921	92	–	1,170	10,541
2001	4,887	685	1,730	113	920	83	–	1,195	9,613
					State Maintenance of Effort Expenditures in Separate State Programs				
1997	69	12	111	–	0	0	–	18	210
1998	216	3	137	–	6	1	–	28	391
1999	434	26	257	–	22	0	0	126	865
2000	305	11	73	17	19	0	–	431	856
2001	503	28	34	20	38	1	–	499	1,125
					Total Expenditures				
1997	13,731	790	877	–	1,577	211	9	1,805	19,000
1998	14,264	1,286	1,280	–	1,828	362	17	2,465	21,502
1999	13,449	1,754	1,995	–	1,835	456	40	3,055	22,585
2000	11,180	2,501	3,519	663	2,267	335	–	4,316	24,781
2001	10,163	2,696	3,347	655	2,333	306	–	6,019	25,520

Note: Administration and Systems, shown separately here in Table TANF 5, can be combined to show total administrative costs, as in Table TANF 3.

Source: U.S. Department of Health and Human Services, Administration for Children and Families, Office of Financial Services.

Table TANF 6. Trends in AFDC/TANF Average Monthly Payments, 1962 – 2001

Fiscal Year	Monthly Benefit per Recipient		Average Number of Persons per Family	Monthly Benefit per Family (not reduced by Child Support)		Weighted Average[1] Maximum Benefit (per 3-person Family)	
	Current Dollars	2001 Dollars		Current Dollars	2001 Dollars	Current Dollars	2001 Dollars
1962	$31	$168	3.9	$121	$634	NA	NA
1963	31	166	4.0	126	650	NA	NA
1964	32	167	4.1	131	670	NA	NA
1965	34	174	4.2	140	705	NA	NA
1966	35	178	4.2	146	716	NA	NA
1967	36	179	4.1	150	716	NA	NA
1968	40	188	4.1	162	746	NA	NA
1969	43	198	4.0	173	766	$186[2]	$854
1970	46	200	3.9	178	753	194[2]	848
1971	48	200	3.8	180	730	201[2]	840
1972	51	207	3.6	187	732	205[2]	828
1973	53	205	3.5	187	701	213[2]	824
1974	57	202	3.4	194	670	229[2]	816
1975	63	206	3.3	209	658	243	791
1976	71	216	3.2	226	665	257	782
1977	78	220	3.1	241	662	271	768
1978	83	221	3.0	249	644	284	756
1979	87	213	2.9	257	609	301	735
1980	94	207	2.9	274	583	320	703
1981	96	192	2.9	277	536	326	651
1982	103	192	2.9	300	543	331	617
1983	106	190	2.9	311	537	336	600
1984	110	189	2.9	321	534	352	602
1985	112	186	2.9	329	527	369	610
1986	115	186	2.9	339	529	383	618
1987	123	193	2.9	359	546	393	617
1988	127	192	2.9	370	541	404	609
1989	131	189	2.9	381	531	412	593
1990	135	185	2.9	389	516	421	577
1991	135	176	2.9	388	490	425	554
1992	136	172	2.9	389	477	419	530
1993	131	161	2.8	373	444	414	509
1994	134	160	2.8	376	437	420	497
1995	134	157	2.8	376	425	418	487
1996	135	152	2.8	374	410	422	478
1997[3]	130	144	2.8	362	405	420	464
1998	130	142	2.7	358	406	432	469
1999	133	142	2.7	357	439	452	481
2000	133	138	2.6	349	428	453	468
2001	137	137	2.6	351	351	456	456

[1] The maximum benefit for a 3-person family in each state is weighted by that state's share of total AFDC families.

[2] Estimated based on the weighted average benefit for a 4-person family.

[3] The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 repealed the AFDC program as of July 1, 1997 and replaced it with the Temporary Assistance to Needy Families (TANF) program.

Note: AFDC benefit amounts have not been reduced by child support collections. Constant dollar adjustments to 2001 level were made using a CPI-U-X1 fiscal-year price index.

Source: U.S. Department of Health and Human Services, Administration for Children and Families, Office of Family Assistance, *Quarterly Public Assistance Statistics, 1992 & 1993* and earlier years along with unpublished data.

Table TANF 7. Characteristics of AFDC/TANF Families, Selected Years 1969 – 2001

	May	May	March	Fiscal year [1]						
	1969	1975	1979	1983	1988	1992	1996	1998	2000	2001
Avg. Family Size (persons)	4.0	3.2	3.0	3.0	3.0	2.9	2.8	2.8	2.6	2.6
Number of Child Recipients										
One	26.6	37.9	42.3	43.4	42.5	42.5	43.9	42.4	44.2	44.8
Two	23.0	26.0	28.1	29.8	30.2	30.2	29.9	29.6	28.4	28.5
Three	17.7	16.1	15.6	15.2	15.8	15.5	15.0	15.7	15.3	14.8
Four or More	32.5	20.0	13.9	10.1	9.9	10.1	9.2	10.6	10.1	9.9
Unknown	NA	NA	NA	1.5	1.7	0.7	1.3	1.8	2.0	2.0
Child-Only Families	10.1	12.5	14.6	8.3	9.6	14.8	21.5	23.4	34.5	37.1
Families with Non-Recipients	33.1	34.8	NA	36.9	36.8	38.9	49.9	–	–	–
Median Months on AFDC/TANF										
Since Most Recent Opening	23.0	31.0	29.0	26.0	26.3	22.5	23.6	–	–	–
Presence of Assistance										
Living in Public Housing	12.8	14.6	NA	10.0	9.6	9.2	8.8	NA	17.7	20.0
Participating in Food Stamp Or Donated Food Program	52.9	75.1	75.1	83.0	84.6	87.3	89.3	83.5	79.9	80.9
Presence of Income										
With Earnings	NA	14.6	12.8	5.7	8.4	7.4	11.1	20.6 [4]	23.6 [4]	24.3 [4]
No Non-AFDC/TANF Income	56.0	71.1	80.6	86.8	79.6	78.9	76.0	73.0 [4]	71.6 [4]	77.2 [4]
Adult Employment Status (percent of adults)										
Employed	–	–	–	–	–	6.6	11.3	22.8	26.4	26.7
Unemployed	–	–	–	–	–	–	–	45.0	49.2	47.5
Not in Labor Force	–	–	–	–	–	–	–	28.3	24.3	25.8
Unknown	–	–	–	–	–	–	–	4.0	–	–
Adult Women's employment status (percent of adult female recipients):[3]										
Full-time job	8.2	10.4	8.7	1.5	2.2	2.2	4.7	–	–	–
Part-time job	6.3	5.7	5.4	3.4	4.2	4.2	5.4	–	–	–
Marital Status (percent of adults)										
Single	–	–	–	–	–	–	–	52.5	65.3	66.9
Married	–	–	–	–	–	–	–	16.4	12.4	11.7
Separated	–	–	–	–	–	–	–	11.7	13.1	12.5
Widowed	–	–	–	–	–	–	–	0.7	0.7	0.8
Divorced	–	–	–	–	–	–	–	8.8	8.5	8.2
Unknown	–	–	–	–	–	–	–	9.9	–	–
Basis for Child's Eligibility (percent children):										
Incapacitated	11.7 [2]	7.7	5.3	3.4	3.7	4.1	4.3	–	–	–
Unemployed	4.6 [2]	3.7	4.1	8.7	6.5	8.2	8.3	–	–	–
Death	5.5 [2]	3.7	2.2	1.8	1.8	1.6	1.6	–	–	–
Divorce or Separation	43.3 [2]	48.3	44.7	38.5	34.6	30.0	24.3	–	–	–
Absent, No Marriage Tie	27.9 [2]	31.0	37.8	44.3	51.9	53.1	58.6	–	–	–
Absent, Other Reason	3.5 [2]	4.0	5.9	1.4	1.6	2.0	2.4	–	–	–
Unknown	–	–	–	1.7	–	0.9	0.6	–	–	–

Note: Figures are percentages of families/cases unless noted otherwise.

[1] Percentages are based on the average monthly caseload during the year. Hawaii and the territories are not included in 1983. Data after 1986 include the territories and Hawaii.

[2] Calculated on the basis of total number of families.

[3] For years prior to 1983, data are for mothers only.

[4] Presence of income is measured as a percentage of adult recipients, not families, in 1998 and subsequent years.

Source: U.S. Department of Health and Human Services, Administration for Children and Families, Office of Family Assistance, *Characteristics and Financial Circumstances of TANF Recipients: 2002 TANF Annual Report to Congress* and earlier years.

Table TANF 8. AFDC/TANF Benefits by State, Selected Fiscal Years 1978 – 2001

[Millions of dollars]

	1978	1982	1984	1986	1988	1990	1994	1996	1998	2001
Alabama	$78	$72	$74	$68	$62	$62	$92	$75	$44	$32
Alaska	17	32	37	46	54	60	113	107	77	51
Arizona	30	49	67	79	103	138	266	228	145	91
Arkansas	51	34	39	48	53	57	57	52	26	25
California	1,813	2,734	3,207	3,574	4,091	4,955	6,088	5,908	4,128	3,301
Colorado	74	87	107	107	125	137	158	129	80	55
Connecticut	168	210	226	223	218	295	397	323	305	151
Delaware	28	28	28	25	24	29	40	35	24	21
Dist. of Columbia	91	86	75	77	76	84	126	121	97	67
Florida	145	207	251	261	318	418	806	680	357	251
Georgia	103	172	149	223	266	321	428	385	313	172
Guam	3	4	5	4	3	5	12	14	NA	NA
Hawaii	83	88	83	73	77	99	163	173	153	126
Idaho	21	20	21	19	19	20	30	30	6	5
Illinois	699	802	845	886	815	839	914	833	771	191
Indiana	118	139	153	148	167	170	228	153	104	120
Iowa	107	127	159	170	155	152	169	131	104	78
Kansas	73	81	87	91	97	105	123	98	41	56
Kentucky	122	123	135	104	143	179	198	191	147	113
Louisiana	97	127	145	162	182	188	168	130	103	66
Maine	51	59	69	84	80	101	108	99	80	68
Maryland	166	213	229	250	250	296	314	285	192	224
Massachusetts	476	468	406	471	558	630	730	560	442	143
Michigan	780	1,064	1,214	1,248	1,231	1,211	1,132	779	589	329
Minnesota	164	235	287	322	338	355	379	333	276	184
Mississippi	33	55	58	74	85	86	82	68	60	31
Missouri	152	175	196	209	215	228	287	254	180	148
Montana	15	19	27	37	41	40	49	45	30	26
Nebraska	38	49	56	62	56	59	62	54	41	39
Nevada	8	12	10	16	20	27	48	48	39	25
New Hampshire	21	25	16	20	21	32	62	50	39	27
New Jersey	489	513	485	509	459	451	531	462	372	199
New Mexico	32	45	49	51	56	61	144	153	104	111
New York	1,689	1,641	1,916	2,099	2,140	2,259	2,913	2,929	2,149	1,620
North Carolina	138	143	149	138	206	247	353	300	211	128
North Dakota	14	14	16	20	22	24	26	21	22	13
Ohio	441	606	725	804	805	877	1,016	763	546	336
Oklahoma	74	74	85	100	119	132	165	122	72	53
Oregon	148	100	101	120	128	145	197	155	141	73
Pennsylvania	726	740	724	389	747	798	935	822	523	305
Puerto Rico	25	65	38	33	67	72	74	63	NA	NA
Rhode Island	59	70	71	79	82	99	136	125	117	88
South Carolina	52	76	75	103	91	96	115	101	52	33
South Dakota	18	17	17	15	21	22	25	22	14	10
Tennessee	77	74	83	100	125	168	215	190	108	123
Texas	122	118	229	281	344	416	544	496	315	242
Utah	41	47	52	55	61	64	77	64	50	39
Vermont	21	38	40	40	40	48	65	56	47	35
Virgin Islands	2	3	2	2	2	3	4	4	NA	NA
Virginia	136	166	165	179	169	177	253	199	123	103
Washington	175	240	294	375	401	438	610	585	450	288
West Virginia	53	56	75	109	107	110	126	101	52	64
Wisconsin	260	406	519	444	506	440	425	291	145	81
Wyoming	6	9	13	16	19	19	21	17	7	4
United States	**$10,621**	**$12,857**	**$14,371**	**$15,236**	**$16,663**	**$18,543**	**$22,798**	**$20,411**	**$14,614**	**$10,163**

Note: Benefits refers to total cash benefits paid (see Table TANF 3) but does not include emergency assistance payments. NA denotes data not available.

Source: U.S. Department of Health and Human Services, Administration for Children and Families, Office of Program Support, Office of Management Services, data from the ACF-196 TANF Report and ACF-231 AFDC Line by Line Report.

Table TANF 9. Comparison of Federal Funding for AFDC and Related Programs And 2001 Family Assistance Grants Awarded Under PRWORA

[In millions]

State	FY 1996 Grants for AFDC, EA & JOBS [1]	FY 2001 State Family Assistance Grant [2]	Increase from FY 1996 Level	Percent Increase from FY 1996 Level
Alabama	$79.0	$134.1	$55.1	70
Alaska	60.7	60.3	-0.4	-1
Arizona	200.6	233.0	32.4	16
Arkansas	54.3	65.8	11.5	21
California	3,545.6	3,764.6	219.1	6
Colorado	138.9	149.6	10.7	8
Connecticut	221.1	269.4	48.3	22
Delaware	30.2	32.9	2.7	9
Dist of Columbia	77.1	119.4	42.2	55
Florida	504.7	643.6	138.9	28
Georgia	301.2	368.0	66.8	22
Hawaii	98.4	103.9	5.5	6
Idaho	31.3	35.5	4.2	13
Illinois	593.8	601.8	7.9	1
Indiana	121.4	208.8	87.4	72
Iowa	129.3	131.5	2.2	2
Kansas	86.9	101.9	15.0	17
Kentucky	171.6	181.3	9.6	6
Louisiana	122.4	181.0	58.6	48
Maine	73.2	78.1	4.9	7
Maryland	207.6	229.1	21.5	10
Massachusetts	372.0	352.5	-19.6	-5
Michigan	581.5	800.4	218.9	38
Minnesota	239.3	269.8	30.4	13
Mississippi	68.6	98.2	29.6	43
Missouri	207.9	223.0	15.1	7
Montana	39.2	46.4	7.2	18
Nebraska	56.2	57.9	1.7	3
Nevada	41.2	49.9	8.7	21
New Hampshire	36.0	38.5	2.5	7
New Jersey	353.4	411.7	58.3	16
New Mexico	129.9	132.5	2.5	2
New York	2,332.7	2,442.9	110.2	5
North Carolina	311.9	346.6	34.7	11
North Dakota	24.5	27.7	3.2	13
Ohio	564.5	728.0	163.5	29
Oklahoma	125.1	151.7	26.5	21
Oregon	146.4	166.8	20.4	14
Pennsylvania	780.1	719.5	-60.6	-8
Rhode Island	82.9	95.0	12.2	15
South Carolina	99.4	100.0	0.5	1
South Dakota	19.7	21.3	1.5	8
Tennessee	178.9	222.7	43.7	24
Texas	437.1	563.3	126.2	29
Utah	68.0	85.8	17.8	26
Vermont	42.4	47.4	5.0	12
Virginia	134.6	166.2	31.6	23
Washington	393.2	402.2	9.0	2
West Virginia	95.1	112.1	17.0	18
Wisconsin	241.6	332.8	91.2	38
Wyoming	14.4	20.1	5.7	40
United States	**$15,067**	**$16,926**	**$1,859**	12

[1] Includes Administration and FAMIS but excludes IV-A child care. AFDC benefits include the Federal share of child support collections to be comparable to the Family Assistance Grant. The 1996 figures have been revised since earlier versions of this report, to reflect upward revisions in states' reports of expenditures on the JOBS program.

[2] The FY 2001 awards include State Family Assistance Grants, Supplemental Grants for Population Increases, Out of Wedlock Bonus and High Performance Bonus.

Source: U.S. Department of Health & Human Services, Administration for Children and Families, Office of Financial Services.

Table TANF 10. AFDC/TANF Caseload by State, October 1989 to September 2002 Peak

[In thousands]

State	Peak Caseload Oct '89 to Sept '02	Date Peak Occurred Oct '89 to Sept '02	Sept '96 Caseload	Sept '02 Caseload	Percent Decline [1] Sept '96 to Sept '02	Percent Decline Peak to Sept '02
Alabama	52.3	Mar-93	40.7	17.9	*56*	*66*
Alaska	13.4	Apr-94	12.3	5.6	*55*	*58*
Arizona	72.8	Dec-93	61.8	43.9	*29*	*40*
Arkansas	27.1	Mar-92	22.1	11.7	*47*	*57*
California	933.1	Mar-95	870.3	454.2	*48*	*51*
Colorado	43.7	Dec-93	33.6	12.4	*63*	*72*
Connecticut	61.9	Mar-95	57.1	22.6	*60*	*63*
Delaware	11.8	Apr-94	10.5	5.6	*47*	*53*
Dist. of Columbia	27.5	Apr-94	25.1	16.4	*35*	*40*
Florida	259.9	Nov-92	200.3	58.3	*71*	*78*
Georgia	142.8	Nov-93	120.9	54.9	*55*	*62*
Guam	3.1	Apr-02	2.3	3.1	*-36*	*0*
Hawaii	23.4	Jun-97	21.9	10.3	*53*	*56*
Idaho	9.5	Mar-95	8.4	1.4	*83*	*85*
Illinois	243.1	Aug-94	217.8	42.5	*80*	*83*
Indiana	76.1	Sep-93	49.7	52.1	*-5*	*32*
Iowa	40.7	Apr-94	31.1	19.9	*36*	*51*
Kansas	30.8	Aug-93	23.4	14.7	*37*	*52*
Kentucky	84.0	Mar-93	70.4	34.7	*51*	*59*
Louisiana	94.7	May-90	66.5	23.1	*65*	*76*
Maine	24.4	Aug-93	19.7	9.3	*53*	*62*
Maryland	81.8	May-95	68.9	25.9	*62*	*68*
Massachusetts	115.7	Aug-93	84.3	48.4	*43*	*58*
Michigan	233.6	Apr-91	167.5	69.4	*59*	*70*
Minnesota	66.2	Jun-92	57.2	36.9	*35*	*44*
Mississippi	61.8	Nov-91	45.2	19.3	*57*	*69*
Missouri	93.7	Mar-94	79.1	43.7	*45*	*53*
Montana	12.3	Mar-94	9.8	5.8	*41*	*53*
Nebraska	17.2	Mar-93	14.4	10.6	*26*	*38*
Nevada	16.3	Mar-95	13.2	11.6	*12*	*29*
New Hampshire	11.8	Apr-94	8.9	6.1	*31*	*48*
New Jersey	132.6	Nov-92	100.8	40.5	*60*	*69*
New Mexico	34.9	Nov-94	33.0	16.6	*50*	*52*
New York	463.7	Dec-94	412.7	151.5	*63*	*67*
North Carolina	134.1	Mar-94	107.5	41.2	*62*	*69*
North Dakota	6.6	Apr-93	4.7	3.3	*29*	*50*
Ohio	269.8	Mar-92	201.9	83.5	*59*	*69*
Oklahoma	51.3	Mar-93	35.3	15.3	*57*	*70*
Oregon	43.8	Apr-93	28.5	18.0	*37*	*59*
Pennsylvania	212.5	Sep-94	180.1	78.8	*56*	*63*
Puerto Rico	61.7	Jan-92	49.5	18.6	*62*	*70*
Rhode Island	22.9	Apr-94	20.5	13.7	*33*	*40*
South Carolina	54.6	Jan-93	42.9	20.4	*52*	*63*
South Dakota	7.4	Apr-93	5.7	2.8	*51*	*62*
Tennessee	112.6	Nov-93	96.2	65.6	*32*	*42*
Texas	287.5	Dec-93	238.8	131.7	*45*	*54*
Utah	18.7	Mar-93	14.0	8.0	*43*	*57*
Vermont	10.3	Apr-92	8.7	5.0	*42*	*51*
Virgin Islands	1.4	Dec-95	1.3	0.5	*65*	*67*
Virginia	76.0	Apr-94	60.5	30.4	*50*	*60*
Washington	104.8	Feb-95	96.8	52.0	*46*	*50*
West Virginia	41.9	Apr-93	37.6	15.3	*59*	*64*
Wisconsin	82.9	Jan-92	49.9	19.4	*61*	*77*
Wyoming	7.1	Aug-92	4.3	0.4	*90*	*94*
United States	**5,098**	**Mar-94**	**4,346**	**2,025**	***53***	***60***

[1] Negative values denote percent increase.

Source: U.S. Department of Health and Human Services, Administration for Children and Families, Office of Family Assistance, Division of Data Collection and Analysis.

Table TANF 11. Average Monthly AFDC/TANF Recipients by State, Selected Fiscal Years

[In thousands]

	1965	1970	1975	1980	1985	1989	1994	2001	Percent Change	
									1989-94	1994-01
Alabama	78	123	160	180	151	129	132	44	2	-67
Alaska	5	8	12	15	16	19	38	17	96	-55
Arizona	40	51	71	51	72	105	201	83	91	-59
Arkansas	30	45	101	85	64	70	69	28	-0	-60
California	528	1,148	1,355	1,387	1,619	1,763	2,639	1,185	50	-55
Colorado	42	66	96	77	79	97	119	27	22	-77
Connecticut	59	83	125	139	122	106	166	60	56	-64
Delaware	12	20	31	32	24	19	27	12	43	-55
Dist. of Columbia	20	40	103	85	58	48	74	43	55	-42
Florida	106	204	265	256	271	327	669	125	105	-81
Georgia	71	198	354	221	239	266	393	121	48	-69
Guam	1	2	3	5	6	4	7	10	67	43
Hawaii	14	25	47	60	51	43	62	41	45	-33
Idaho	10	16	19	21	17	17	23	2	38	-90
Illinois	262	368	776	672	735	632	712	183	13	-74
Indiana	48	73	162	157	165	147	216	116	47	-47
Iowa	44	64	85	104	123	98	110	54	13	-51
Kansas	36	53	67	68	67	74	87	33	17	-62
Kentucky	81	129	159	167	160	156	208	82	34	-61
Louisiana	104	202	235	213	230	277	248	66	-10	-74
Maine	19	36	80	60	57	51	64	26	27	-59
Maryland	80	131	216	212	195	176	222	68	26	-69
Massachusetts	94	208	347	350	235	242	307	100	27	-67
Michigan	162	253	641	685	691	640	666	193	4	-71
Minnesota	51	76	124	135	152	164	187	113	14	-40
Mississippi	83	115	186	173	155	179	159	36	-11	-78
Missouri	107	140	260	199	197	203	263	121	30	-54
Montana	7	13	22	19	22	28	35	14	26	-60
Nebraska	16	30	38	35	44	41	45	24	10	-47
Nevada	5	12	14	12	14	20	38	19	89	-49
New Hampshire	4	9	26	22	14	13	30	13	139	-56
New Jersey	104	286	440	459	367	298	335	113	13	-66
New Mexico	30	51	61	53	51	59	102	55	74	-46
New York	517	1,052	1,193	1,100	1,112	979	1,255	613	28	-51
North Carolina	111	124	170	198	166	200	333	93	66	-72
North Dakota	8	11	14	13	12	15	16	8	8	-53
Ohio	183	266	534	513	673	629	685	199	9	-71
Oklahoma	73	95	97	89	82	103	131	35	27	-73
Oregon	31	75	99	102	74	87	114	37	31	-68
Pennsylvania	303	426	626	629	561	523	620	216	19	-65
Puerto Rico	202	223	232	168	173	185	183	75	-2	-59
Rhode Island	24	38	52	52	44	42	63	42	50	-34
South Carolina	30	52	135	153	120	107	140	45	30	-68
South Dakota	11	16	25	20	16	19	19	6	1	-67
Tennessee	76	129	201	162	155	195	300	155	53	-48
Texas	91	214	394	308	363	540	788	349	46	-56
Utah	22	33	34	37	38	44	50	19	14	-62
Vermont	5	12	21	23	22	20	28	15	41	-47
Virgin Islands	1	2	4	3	4	3	4	3	11	-32
Virginia	46	87	174	166	154	146	195	65	34	-67
Washington	71	109	143	154	178	219	292	141	33	-51
West Virginia	116	93	69	77	106	109	114	39	5	-66
Wisconsin	45	79	160	213	288	245	226	40	-8	-82
Wyoming	4	5	7	7	10	14	16	1	19	-94
United States	**4,323**	**7,415**	**11,067**	**10,597**	**10,813**	**10,935**	**14,226**	**5,423**	**30**	**-62**

Source: U.S. Department of Health and Human Services, Administration for Children and Families, Office of Planning, Research and Evaluation, 2002 *TANF Report to Congress.*

Table TANF 12. AFDC/TANF Recipiency Rates for Total Population by State: Selected Fiscal Years

[In percent]

	1965	1970	1975	1980	1985	1989	1994	2001	Percent Change	
									1989-94	1994-01
Alabama	2.2	3.6	4.3	4.6	3.8	3.2	3.1	1.0	*-3*	*-69*
Alaska	1.8	2.6	3.1	3.7	3.0	3.5	6.3	2.7	*78*	*-58*
Arizona	2.6	2.9	3.1	1.9	2.3	2.9	4.8	1.6	*66*	*-68*
Arkansas	1.5	2.3	4.7	3.7	2.8	3.0	2.8	1.0	*-5*	*-64*
California	2.9	5.7	6.3	5.8	6.1	6.0	8.4	3.4	*40*	*-59*
Colorado	2.2	3.0	3.7	2.6	2.5	3.0	3.3	0.6	*10*	*-81*
Connecticut	2.1	2.7	4.1	4.5	3.8	3.2	5.1	1.7	*57*	*-66*
Delaware	2.4	3.6	5.4	5.4	3.9	2.9	3.9	1.5	*33*	*-60*
Dist. of Columbia	2.5	5.3	14.6	13.3	9.2	7.7	13.1	7.5	*71*	*-43*
Florida	1.8	3.0	3.1	2.6	2.4	2.6	4.8	0.8	*85*	*-84*
Georgia	1.6	4.3	7.0	4.0	4.0	4.1	5.6	1.4	*35*	*-74*
Hawaii	1.9	3.2	5.4	6.2	4.9	3.9	5.3	3.4	*35*	*-36*
Idaho	1.4	2.2	2.3	2.2	1.7	1.7	2.0	0.2	*21*	*-92*
Illinois	2.5	3.3	6.9	5.9	6.4	5.5	6.0	1.5	*9*	*-76*
Indiana	1.0	1.4	3.0	2.9	3.0	2.7	3.8	1.9	*41*	*-50*
Iowa	1.6	2.3	3.0	3.6	4.3	3.5	3.9	1.8	*11*	*-53*
Kansas	1.6	2.4	2.9	2.9	2.8	3.0	3.4	1.2	*13*	*-64*
Kentucky	2.5	4.0	4.6	4.6	4.3	4.2	5.4	2.0	*28*	*-63*
Louisiana	2.9	5.6	6.1	5.0	5.2	6.5	5.8	1.5	*-11*	*-75*
Maine	1.9	3.6	7.5	5.4	4.9	4.2	5.2	2.0	*25*	*-61*
Maryland	2.2	3.3	5.2	5.0	4.4	3.7	4.4	1.3	*19*	*-72*
Massachusetts	1.8	3.7	6.0	6.1	4.0	4.0	5.1	1.6	*27*	*-69*
Michigan	2.0	2.9	7.0	7.4	7.6	6.9	6.9	1.9	*0*	*-72*
Minnesota	1.4	2.0	3.2	3.3	3.6	3.8	4.1	2.3	*9*	*-45*
Mississippi	3.6	5.2	7.8	6.9	6.0	6.9	6.0	1.2	*-14*	*-79*
Missouri	2.4	3.0	5.4	4.0	3.9	4.0	5.0	2.2	*25*	*-57*
Montana	1.0	1.9	2.9	2.4	2.7	3.5	4.1	1.5	*18*	*-62*
Nebraska	1.1	2.0	2.5	2.2	2.8	2.6	2.8	1.4	*7*	*-50*
Nevada	1.2	2.4	2.3	1.5	1.4	1.8	2.6	0.9	*48*	*-65*
New Hampshire	0.7	1.2	3.1	2.4	1.4	1.2	2.7	1.1	*133*	*-60*
New Jersey	1.5	4.0	6.0	6.2	4.9	3.9	4.2	1.3	*10*	*-69*
New Mexico	3.0	5.0	5.3	4.1	3.5	3.9	6.2	3.0	*59*	*-51*
New York	2.9	5.8	6.7	6.3	6.2	5.4	6.9	3.2	*27*	*-53*
North Carolina	2.2	2.4	3.1	3.4	2.6	3.1	4.7	1.1	*54*	*-76*
North Dakota	1.2	1.7	2.1	2.0	1.8	2.4	2.6	1.2	*9*	*-52*
Ohio	1.8	2.5	5.0	4.8	6.3	5.8	6.2	1.8	*6*	*-72*
Oklahoma	3.0	3.7	3.5	2.9	2.5	3.3	4.0	1.0	*24*	*-75*
Oregon	1.6	3.6	4.3	3.9	2.8	3.1	3.7	1.1	*18*	*-71*
Pennsylvania	2.6	3.6	5.3	5.3	4.8	4.4	5.1	1.8	*17*	*-66*
Rhode Island	2.7	4.0	5.5	5.5	4.5	4.2	6.3	3.9	*51*	*-38*
South Carolina	1.2	2.0	4.6	4.9	3.6	3.1	3.8	1.1	*23*	*-71*
South Dakota	1.6	2.4	3.6	2.9	2.3	2.7	2.6	0.8	*-3*	*-68*
Tennessee	2.0	3.3	4.7	3.5	3.3	4.0	5.8	2.7	*44*	*-54*
Texas	0.9	1.9	3.1	2.1	2.2	3.2	4.3	1.6	*34*	*-62*
Utah	2.2	3.1	2.8	2.5	2.3	2.6	2.6	0.8	*1*	*-67*
Vermont	1.4	2.6	4.4	4.4	4.2	3.5	4.8	2.4	*36*	*-50*
Virginia	1.0	1.9	3.4	3.1	2.7	2.4	3.0	0.9	*25*	*-70*
Washington	2.4	3.2	4.0	3.7	4.0	4.6	5.5	2.4	*18*	*-57*
West Virginia	6.4	5.3	3.7	4.0	5.5	6.0	6.3	2.2	*4*	*-66*
Wisconsin	1.1	1.8	3.5	4.5	6.1	5.0	4.4	0.7	*-12*	*-83*
Wyoming	1.1	1.5	1.8	1.4	2.0	3.0	3.4	0.2	*15*	*-94*
United States	2.1	3.5	5.0	4.6	4.5	4.4	5.4	1.9	*24*	*-65*

Note: Recipiency rate refers to the average monthly number of AFDC recipients in each State during the given fiscal year expressed as a percent of the total resident population as of July 1 of that year. The numerators are from Table TANF 11.

Sources: U. S. Department of Health and Human Services and U.S. Bureau of the Census, (Resident population by state available on line at http://www.census.gov/population/estimates/state/).

Table TANF 13. Average Number of AFDC/TANF Child Recipients By State, Selected Fiscal Years

[In thousands]

	1965	1970	1975	1980	1985	1989	1994	2001	Percent Change	
									1989-94	1994-01
Alabama	62	96	119	129	105	92	96	47	*4*	*-51*
Alaska	4	6	9	10	10	13	24	12	*90*	*-52*
Arizona	31	39	54	38	50	74	136	59	*85*	*-57*
Arkansas	23	34	75	62	45	50	49	20	*-0*	*-59*
California	391	816	938	932	1,070	1,186	1,804	955	*52*	*-47*
Colorado	33	50	68	53	53	66	80	20	*22*	*-75*
Connecticut	43	62	92	97	82	71	111	42	*56*	*-63*
Delaware	9	15	23	22	16	13	19	10	*41*	*-48*
Dist. of Columbia	16	31	75	59	43	38	51	32	*33*	*-36*
Florida	85	160	200	184	191	235	463	103	*97*	*-78*
Georgia	54	150	261	161	166	187	274	94	*47*	*-66*
Guam	1	1	2	4	4	3	5	NA	*63*	*NA*
Hawaii	10	18	33	40	33	28	41	25	*45*	*-39*
Idaho	7	11	14	14	11	11	16	2	*36*	*-88*
Illinois	202	283	562	473	493	432	486	142	*12*	*-71*
Indiana	36	55	119	111	111	100	145	80	*45*	*-45*
Iowa	32	46	59	69	77	63	72	37	*13*	*-48*
Kansas	28	41	50	49	45	50	59	24	*17*	*-60*
Kentucky	58	93	113	118	107	105	137	59	*31*	*-57*
Louisiana	79	157	177	156	163	195	180	50	*-8*	*-72*
Maine	14	26	56	40	36	32	40	17	*25*	*-58*
Maryland	61	100	157	145	126	117	151	51	*28*	*-66*
Massachusetts	71	153	242	228	152	154	197	68	*28*	*-65*
Michigan	119	190	454	460	441	414	439	142	*6*	*-68*
Minnesota	39	58	89	91	95	105	124	79	*18*	*-37*
Mississippi	66	93	144	128	112	129	116	28	*-10*	*-76*
Missouri	82	106	193	135	129	134	176	89	*31*	*-50*
Montana	6	10	16	13	15	18	23	9	*28*	*-59*
Nebraska	12	23	28	25	29	28	31	17	*10*	*-44*
Nevada	4	9	10	8	9	14	27	14	*89*	*-49*
New Hampshire	3	7	18	15	9	8	19	9	*130*	*-52*
New Jersey	79	209	316	318	247	205	228	84	*11*	*-63*
New Mexico	23	39	45	35	34	41	66	38	*64*	*-42*
New York	380	759	845	759	729	648	813	434	*26*	*-47*
North Carolina	83	94	125	141	113	136	223	71	*63*	*-68*
North Dakota	6	8	10	9	8	10	11	6	*6*	*-49*
Ohio	136	198	372	348	424	411	455	149	*11*	*-67*
Oklahoma	55	71	74	65	57	71	90	26	*27*	*-71*
Oregon	23	52	67	65	49	58	76	27	*30*	*-65*
Pennsylvania	217	307	429	432	369	348	417	156	*20*	*-62*
Puerto Rico	161	166	170	118	116	126	124	54	*-2*	*-56*
Rhode Island	18	27	37	36	28	28	41	29	*50*	*-29*
South Carolina	24	40	100	109	84	77	102	31	*33*	*-70*
South Dakota	8	12	18	15	11	13	14	5	*3*	*-63*
Tennessee	58	99	149	115	105	133	203	114	*53*	*-44*
Texas	68	162	292	225	256	378	549	258	*45*	*-53*
Utah	16	23	23	24	24	28	33	14	*17*	*-59*
Vermont	4	8	14	14	14	12	17	9	*39*	*-46*
Virgin Islands	1	2	3	2	3	3	3	2	*9*	*-25*
Virginia	35	66	125	116	103	100	134	48	*34*	*-64*
Washington	50	76	95	97	113	141	187	100	*32*	*-46*
West Virginia	80	65	47	58	64	67	72	27	*7*	*-63*
Wisconsin	34	60	116	142	181	161	153	35	*-5*	*-77*
Wyoming	3	4	5	5	7	9	11	1	*22*	*-93*
United States	**3,242**	**5,483**	**7,928**	**7,320**	**7,165**	**7,370**	**9,611**	**4,055**	***30***	***-51***

Source: U.S. Department of Health and Human Services, Administration for Children and Families, Office of Planning, Research and Evaluation, 2002 *TANF Report to Congress.*

Table TANF 14. AFDC/TANF Recipiency Rates for Children by State, Selected Fiscal Years 1965 – 2001

[In percent]

	1965	1970	1975	1980	1985	1989	1994	2001	Percent Change	
									1989-94	1994-01
Alabama	4.6	7.7	9.9	11.1	9.7	8.6	8.9	4.2	*4*	*-53*
Alaska	3.1	5.0	6.2	8.0	5.9	7.3	12.8	6.0	*76*	*-53*
Arizona	4.8	6.0	7.2	4.8	5.9	7.6	12.1	4.3	*60*	*-65*
Arkansas	3.1	5.2	10.9	9.3	7.1	7.9	7.7	3.0	*-3*	*-61*
California	6.0	12.3	14.5	14.6	15.6	15.6	20.8	10.3	*33*	*-51*
Colorado	4.4	6.4	8.4	6.5	6.1	7.6	8.3	1.9	*10*	*-78*
Connecticut	4.4	6.1	9.8	11.8	10.8	9.5	14.2	4.9	*49*	*-65*
Delaware	4.7	7.5	12.3	13.4	10.2	8.1	10.5	4.9	*30*	*-53*
Dist. of Columbia	6.0	13.8	41.1	40.9	33.9	30.7	44.5	28.2	*45*	*-37*
Florida	4.3	7.6	8.4	7.8	7.6	8.4	14.1	2.8	*68*	*-80*
Georgia	3.2	9.1	15.5	9.8	10.1	10.8	14.6	4.3	*35*	*-70*
Hawaii	3.6	6.5	11.7	14.5	11.6	10.1	13.6	8.4	*35*	*-38*
Idaho	2.7	4.2	4.8	4.7	3.6	3.7	4.6	0.5	*22*	*-89*
Illinois	5.3	7.5	16.0	14.6	16.1	14.5	15.7	4.3	*8*	*-72*
Indiana	2.0	3.0	6.9	6.9	7.5	6.9	9.8	5.1	*43*	*-48*
Iowa	3.2	4.7	6.6	8.4	10.2	8.8	9.9	5.0	*12*	*-49*
Kansas	3.5	5.4	7.3	7.5	6.9	7.6	8.5	3.3	*12*	*-61*
Kentucky	4.9	8.3	10.2	10.9	10.5	10.9	14.1	6.0	*29*	*-58*
Louisiana	5.5	11.3	13.2	11.8	12.2	15.5	14.6	4.1	*-6*	*-72*
Maine	3.9	7.7	16.4	12.5	11.7	10.4	13.1	5.6	*26*	*-57*
Maryland	4.6	7.3	11.9	12.4	11.4	10.2	12.0	3.7	*18*	*-69*
Massachusetts	3.8	8.1	14.2	15.3	11.2	11.4	13.9	4.5	*22*	*-67*
Michigan	3.7	5.8	15.0	16.7	17.7	16.9	17.4	5.5	*3*	*-69*
Minnesota	2.9	4.2	7.0	7.7	8.5	9.2	10.1	6.1	*10*	*-40*
Mississippi	7.0	11.1	17.3	15.7	14.0	17.1	15.3	3.6	*-10*	*-77*
Missouri	5.2	6.9	13.2	9.9	9.8	10.2	12.9	6.2	*26*	*-52*
Montana	2.0	4.0	6.6	5.7	6.1	7.9	9.7	4.1	*22*	*-58*
Nebraska	2.3	4.4	5.8	5.5	6.8	6.5	7.0	3.9	*8*	*-45*
Nevada	2.5	5.2	5.4	3.8	3.9	5.0	7.1	2.7	*40*	*-62*
New Hampshire	1.4	2.6	6.9	5.8	3.7	3.1	6.6	3.0	*118*	*-55*
New Jersey	3.4	8.8	14.1	16.0	13.5	11.3	11.7	4.0	*3*	*-66*
New Mexico	5.2	9.5	10.9	8.5	7.8	9.0	13.5	7.5	*50*	*-44*
New York	6.3	13.0	15.9	16.2	16.7	15.1	18.0	9.2	*19*	*-49*
North Carolina	4.4	5.3	7.2	8.5	7.1	8.5	12.6	3.6	*49*	*-72*
North Dakota	2.3	3.6	4.9	4.7	4.3	5.7	6.3	3.4	*12*	*-46*
Ohio	3.6	5.3	10.9	11.2	14.7	14.6	16.0	5.1	*9*	*-68*
Oklahoma	6.4	8.5	8.7	7.6	6.3	8.3	10.4	2.9	*24*	*-72*
Oregon	3.3	7.4	9.6	9.0	6.9	8.2	9.7	3.1	*18*	*-68*
Pennsylvania	5.5	8.0	12.3	13.8	12.9	12.4	14.4	5.3	*16*	*-63*
Rhode Island	5.9	9.1	13.3	14.7	12.6	12.1	17.5	11.8	*44*	*-33*
South Carolina	2.3	4.2	10.4	11.6	9.1	8.3	10.8	3.1	*30*	*-72*
South Dakota	3.1	5.0	8.2	7.1	5.7	6.7	6.6	2.5	*-1*	*-62*
Tennessee	4.2	7.5	11.3	8.9	8.6	10.9	15.7	8.1	*44*	*-48*
Texas	1.7	4.1	7.1	5.2	5.4	7.9	10.4	4.4	*32*	*-58*
Utah	3.7	5.4	5.0	4.4	4.0	4.5	4.9	1.9	*9*	*-61*
Vermont	2.7	5.4	9.3	9.9	9.9	8.8	11.7	6.3	*33*	*-46*
Virginia	2.2	4.1	7.9	7.9	7.1	6.7	8.4	2.8	*26*	*-67*
Washington	4.7	6.5	8.5	8.5	9.7	11.5	13.3	6.6	*16*	*-50*
West Virginia	12.2	11.2	8.4	10.4	12.6	14.8	16.8	6.6	*13*	*-61*
Wisconsin	2.2	3.8	7.8	10.5	14.2	12.6	11.4	2.5	*-9*	*-78*
Wyoming	2.1	3.2	4.1	3.4	4.1	6.6	8.1	0.6	*24*	*-92*
United States	**4.4**	**7.6**	**11.6**	**11.3**	**11.2**	**11.4**	**14.0**	**5.5**	***22***	***-61***

Note: Recipiency rate refers to the average monthly number of AFDC child recipients in each State during the given fiscal year as a percent of the resident population under 18 years of age as of July 1 of that year. The numerators are from Table TANF 13.
Sources: U. S. Department of Health and Human Services and U.S. Bureau of the Census, (Resident population by state available on line at http://www.census.gov/population/estimates/state/).

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Food Stamp Program

The Food Stamp Program, administered by the U.S. Department of Agriculture's (USDA) Food and Nutrition Service, is the largest food assistance program in the country, reaching more poor individuals over the course of a year than any other public assistance program. Unlike many other public assistance programs, the Food Stamp Program has few categorical requirements for eligibility, such as the presence of children, elderly, or disabled individuals in a household. As a result, the program offers assistance to a large and diverse population of needy persons, many of whom are not eligible for other forms of assistance.

The Food Stamp Program was designed primarily to increase the food purchasing power of eligible low-income households to the point where they can buy a nutritionally adequate low-cost diet. Participating households are expected to be able to devote 30 percent of their counted monthly cash income (after adjusting for various deductions) to food purchases. Food stamp benefits then make up the difference between the household's expected contribution to its food costs and an amount judged to be sufficient to buy an adequate low-cost diet. This amount, the maximum food stamp benefit level, is derived from USDA's lowest-cost food plan, the Thrifty Food Plan (TFP).

The Federal government is responsible for virtually all of the rules that govern the program, and, with limited variations, these rules are nationally uniform, as are the benefit levels. Nonetheless, States, the District of Columbia, Guam, and the Virgin Islands, through their local welfare offices, have primary responsibility for the day-to-day administration of the program. They determine eligibility, calculate benefits, and issue food stamp allotments. The Food Stamp Act provides 100 percent federal funding of food stamp benefits. States and other jurisdictions have responsibility for about half the cost of state and local food stamp agency administration.

In addition to the regular Food Stamp Program, the Food Stamp Act authorizes alternative programs in Puerto Rico, the Northern Mariana Islands, and American Samoa. The largest of these, the Nutrition Assistance Program in Puerto Rico, had an average of 1.1 million participants in 2001, funded under a federal block grant of $1.3 billion. Unless noted otherwise, the food stamp caseload and expenditure data in this Appendix include costs for the Nutrition Assistance Program in Puerto Rico. Prior to 1982, the regular Food Stamp Program operated in Puerto Rico, under modified eligibility and benefit rules.

The Food Stamp Program has financial, employment/training-related, and "categorical" tests for eligibility. The basic food stamp beneficiary unit is the "household." Generally, individuals living together constitute a single food stamp household if they customarily purchase food and prepare meals together. Members of the same household must apply together, and their income, expenses, and assets normally are aggregated in determining food stamp eligibility and benefits. Except for households composed entirely of TANF, SSI, or general assistance recipients (who generally are automatically eligible for food stamps), monthly cash income is the primary food stamp eligibility determinant. Unless exempt, adult applicants for food stamps must register for work, typically with the welfare agency or a state employment service office. To maintain eligibility, they must accept a suitable job if offered one and fulfill any work, job search, or training requirements established by the administering welfare agencies.

Food stamp benefits are a function of a household's size, its net monthly income, its assets, and maximum monthly benefit levels. Allotments are not taxable and food stamp purchases may not be charged sales taxes. Receipt of food stamps does not affect eligibility for or benefits provided by other welfare programs, although some programs use food stamp participation as a "trigger" for eligibility and others take into account the general availability of food stamps in deciding what level of benefits to provide.

Recent Legislative and Regulatory Changes

Title IV and subtitle A of title VIII of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) contain major and extensive revisions to the Food Stamp Program, including strong work requirements on able-bodied adults without dependent children, restricted eligibility of legal immigrants, and a reduction in maximum benefits. These three provisions, and subsequent amendments, are discussed below; their impact on program participation and expenditures begins to appear in food stamp administrative data for 1997, with the fuller impact shown in data for 1998 and beyond.

First, a new work requirement was added for able-bodied adult food stamp recipients without dependents (ABAWDs). Unless exempt, ABAWDs between the ages of 18 and 59 are not eligible for benefits for more than 3 months in every 36-month period unless they are (1) working at least 20 hours a week; (2) participating in and complying with a work program for at least 20 hours a week; or (3) participating in and complying with a workfare program. Under the original legislation, the Department of Agriculture was authorized to waive application of the work requirement to any group of individuals at the request of the state agency, if a determination is made that the area where they reside has an unemployment rate over 10 percent or does not have a sufficient number of jobs to provide them employment. The provision was further moderated under the Balanced Budget Act of 1997 (Public Law 105-33), which allowed states to exempt up to 15 percent of the ABAWD caseload (beyond those subject to waivers) and which increased funds for the food stamp employment and training program for the creation of job slots for able-bodied adults subject to time limits.

Separately, title IV of PRWORA made significant changes in the eligibility of noncitizens for food stamp benefits. As first enacted, most qualified aliens, including legal immigrants (illegal aliens were already ineligible) were barred from receiving food stamps until citizenship. Subsequently, the Agriculture Research, Extension and Education Reform Act of 1998 (Public Law 105-185) restored food stamp eligibility to certain groups of qualified aliens who were legally residing in the United States before passage of PRWORA on August 22, 1996 and were over 65 years of age on that date or are currently under age 18 or disabled.

Finally, the 1996 legislation restrained growth in future program expenditures by making changes in the benefit structure for eligible participants, including a reduction in the maximum food stamp allotment. Other provisions of the 1996 act disqualified from eligibility those convicted of drug-related felonies and gave states the option to disqualify individuals, both custodial and noncustodial parents, from food stamps when they do not cooperate with child support agencies or are in arrears in their child support.

Recent regulatory and legislative changes have been made to increase access to food stamps among working poor families. Regulatory changes announced in July 1999 and expanded in November 2000 allow states to reduce reporting requirements and make it easier for working families to report income changes on a semiannual basis. Under the November 2000 regulations, states also have the option of providing a three-month transitional food stamp benefit to most families leaving TANF. In addition, the Agriculture Appropriations Bill for 2001 (P.L. 106-387) provides states with the option of liberalizing the treatment of vehicle assets to align with the states' TANF rules on vehicle eligibility. These changes were intended to address concerns that some of the decline in food stamp caseloads may be leaving poor families without nutritional assistance as they make the transition from welfare dependence to full self-sufficiency.

The Farm Security and Rural Investment Act of 2002 - also known as the Farm Bill - reauthorized the Food Stamp Program through fiscal year 2007. This law brought a number of significant changes to the program, including some which supercede earlier changes made through PRWORA and subsequent FSP legislation and regulations. Specifically, the Farm Bill restores food stamp eligibility to legal immigrants who have lived in the country five years and to legal immigrants receiving disability benefits, regardless of entry date. Children of legal immigrants are also eligible for food stamps regardless of entry date. Effective in fiscal year 2004, the requirement that income and resources of an immigrant's sponsor be counted in determining the eligibility and benefit amounts for immigrant children is eliminated. Each provision is effective at different times, but all restorations will be effective by April 1, 2003.

The Farm Bill also increased the asset limit from $2,000 to $3,000 for households with a disabled member, making it consistent with the limit for households with elderly, and replaces the fixed standard deduction with a deduction that varies according to household size and is indexed to cost-of-living increases, in recognition of the higher expenses larger households incur. For households in the 48 contiguous states and DC, Alaska, Hawaii and the Virgin Islands, the deduction is set at 8.31 percent of the applicable net income limit based on household size. (Households in Guam will receive a slightly higher deduction.) No household will receive an amount less than the previous fixed standard deduction or more than the standard deduction for a household of six.

Other Farm Bill changes include the authorization of $5 million per year for education and outreach grants to help inform the low-income public of their eligibility for food stamps, and increased flexibility for states in spending Employment and Training program funds to promote work. States also are now allowed to extend from three months to up to five months the period of time households may receive transitional food stamp benefits when they lose TANF cash assistance. Benefits are equal to the amount the household received prior to termination of TANF with adjustments in income for the loss of TANF. This change helps individuals moving off cash assistance to make the transition from welfare to work.

The Farm bill also implements a number of administrative reforms and program simplifications, including:

- changing the quality control system so that only those states with persistently high error rates will face liabilities;
- awarding bonuses to states that improve the quality and accuracy of their service;

- allowing states to exclude certain types of income and resources not counted under TANF or Medicaid, such as educational assistance, when determining food stamp eligibility;
- allowing states to deem child support payments as income exclusions rather than deductions as an incentive for parents to pay child support;
- allowing states to simplify the standard utility allowance (SUA) if the state elects to use the SUA rather than actual utility costs for all households, thus reducing administrative burden, costs and errors;
- permitting states to use a standard deduction from income of $143 per month for homeless households with some shelter expenses;
- allowing states to extend simplified reporting procedures to all households, not just households with earnings;
- eliminating the requirement that the Electronic Benefit Transfer (EBT) system be cost-neutral to the federal government to help support the EBT conversion process;
- allowing USDA to use alternative methods for issuing food stamp benefits during times of disaster when use of EBT is impractical;
- requiring food stamp applications be made available through the Internet; and
- combining Puerto Rico and American Samoa's block grants into one grant and indexing both with inflation.

Food Stamp Program Data

The following six tables and accompanying figure provide information about the Food Stamp Program, including information about the Nutrition Assistance Program in Puerto Rico:

- Tables FSP 1-2 and Figure FSP 1 present national caseload and expenditure trend data on the Food Stamp Program, as discussed below;

- Table FSP 3 presents some demographic characteristics of the food stamp caseload; and

- Tables FSP 4-6 present some state-by-state trend data on the Food Stamp Program through fiscal year 2001.

Food Stamp Caseload Trends (Tables FSP 1-2). Average monthly food stamp participation in 2001 (including participants in Puerto Rico's block grant) was 18.4 million persons. This represents a slight increase over the 2000 record-low average. Average monthly participation fell from its peak of 28.9 million in an average month in 1994 to an average of 18.2 million persons in 2000. Both in absolute numbers and as a percentage of the population, food stamp recipiency in 2000 was lower than at any point in the previous twenty years. See also Table IND 3b and Table IND 4b in Chapter II for further data on the recent decline in food stamp recipiency and participation rates.

Considerable research has demonstrated that the Food Stamp Program is responsive to economic changes, with participation increasing in times of economic downturns and decreasing in times of economic growth (see Figure FSP 1). Economic conditions alone did not explain the caseload growth in the late 1980s and early 1990s, however. A congressionally mandated study in 1990 concluded that a variety of factors contributed to this caseload growth, including expansions in

Medicaid eligibility and changes in immigration laws, particularly the legalization of undocumented aliens, as well as a rise in unemployment (McConnell, 1991). Longer spells of participation also contributed to the caseload increase, according to an analysis of longitudinal data from the Survey on Income and Program Participation (Gleason, 1998).

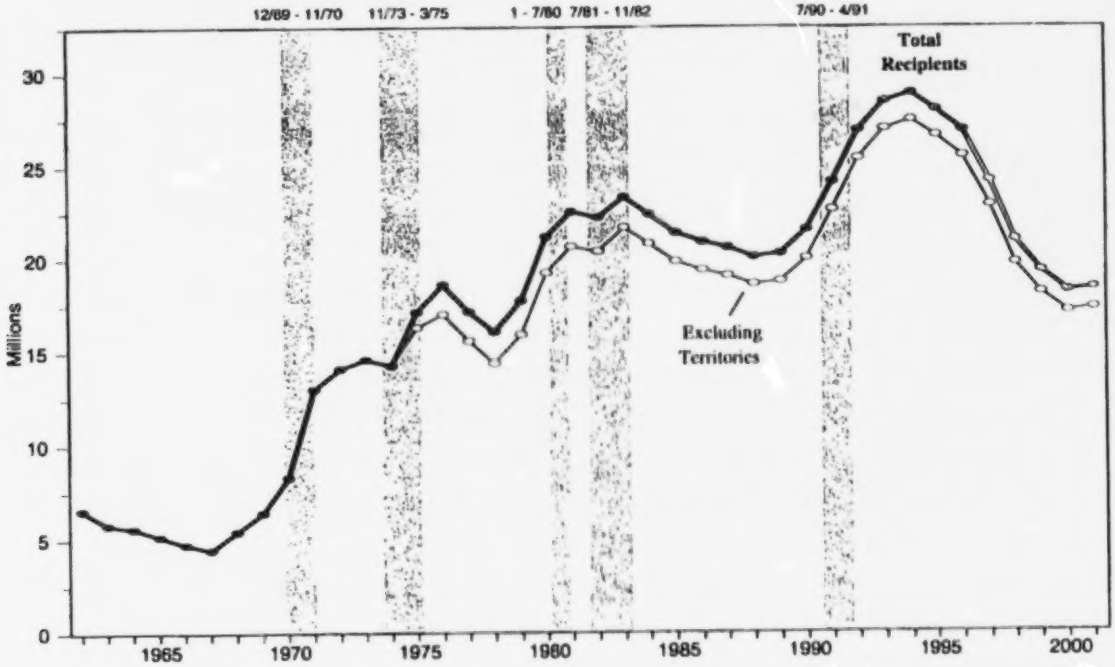
Economic conditions were a significant factor in explaining the drop in food stamp caseload since 1994, according to an Economic Research Service review of recent research (ERS, 2000). Several econometric models suggest that economic variables explain between 25 and 44 percent of the decline in caseload. The full effect of the economy may be even higher, to the extent that some of the unexplained variation in the models reflects local economic conditions not captured in state-level economic variables.

Policy changes, most notably the enactment of the Personal Responsibility Act of 1996, have also contributed to the recent decline in food stamp caseload. The most direct impact was the elimination of eligibility for most legal immigrants and for many childless adults aged 18-50. Participation for these two groups fell sharply between 1994 and 1998 (Genser, 1999). In addition, changes in TANF policy may have affected food stamp participation, although these effects are less certain. Many studies of families leaving TANF cash assistance have found that many of these families leave the Food Stamp Program as well, despite appearing eligible for food stamp benefits. Econometric studies of the effects of specific changes in TANF policy, however, have found that only a small share of the decline in state food stamp caseloads was associated with waivers to AFDC policies. Increased stigma about welfare use and unintentional diversion from the Food Stamp Program may be additional factors affecting food stamp participation.

Food Stamp Expenditures. Total program costs, shown in Table FSP 2, were slightly higher in 2001 than 2000, the first increase after six years of declining costs. Total program costs (including Puerto Rico) were $19.2 billion in 2001; the comparable 2000 cost was $19.0 billion (after adjusting for inflation). The small increase in costs parallels the small increase in average monthly participation discussed above and shown in Table FSP 1. Average monthly benefits per person, also shown in Table FSP2, continued their decline of recent years (after adjusting for inflation). Benefits were $75 per person in fiscal year 2001, considerably lower than the $87 per person benefit (in constant dollars) paid in 1992.

Food Stamp Household Characteristics. As shown in Table FSP 3, the proportion of food stamp households with earnings has increased, from about 20 percent for most of the 1980s and early 1990s, to 27 percent in 2001. At the same time, the proportion of households with income from AFDC/TANF has declined, from 42 percent in 1984 to 23 percent in 2001, following the dramatic decline in AFDC/TANF caseloads. Over half of all food stamp households have children, although the proportion has declined somewhat from over 60 percent in most of the 1980s and early 1990s to 54 percent in 2001. The vast majority (89 percent) of households have incomes below the federal poverty guidelines.

Figure FSP 1. Persons Receiving Food Stamps



Note: Shaded areas are periods of recession as defined by the National Bureau of Economic Research.
Sources: U.S. Department of Agriculture, Food and Nutrition Service, National Data Bank.

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Table FSP 1. Trends in Food Stamp Caseloads, Selected Years 1962 – 2001

	Food Stamp Participants [1]			Participants as a Percent of:			Child Participants As a Percent of:	
Fiscal Year	Including Territories [2] (in thousands)	Excluding Territories (in thousands)	Children Excld. Terr. (in thousands)	Total Population [3]	All Poor Persons [3]	Pre-transfer Poverty Population [4]	Total Child Population [3]	Children in Poverty [3]
1962	6,554	6,554	NA	3.5	17.0	NA	NA	NA
1965	5,167	5,167	NA	2.7	15.6	NA	NA	NA
1970	8,317	8,317	NA	4.1	32.7	NA	NA	NA
1971	13,010	13,010	NA	6.3	50.9	NA	NA	NA
1972	14,111	14,111	NA	6.7	57.7	NA	NA	NA
1973	14,607	14,607	NA	6.9	63.6	NA	NA	NA
1974	14,288	14,288	NA	6.7	61.1	NA	NA	NA
1975 [5]	17,152	16,320	NA	7.6	63.1	NA	NA	NA
1976	18,628	17,033	9,126	7.8	68.2	NA	13.8	88.8
1977	17,161	15,604	NA	7.1	63.1	NA	NA	NA
1978	16,077	14,405	NA	6.5	58.8	NA	NA	NA
1979 [6]	17,758	15,942	NA	7.1	61.1	57.1	NA	NA
1980	21,173	19,253	9,876	8.5	65.8	60.7	15.5	85.6
1981	22,518	20,655	9,803	9.0	64.6	60.8	15.5	78.4
1982	22,224	20,392	9,591	8.8	59.3	56.3	15.3	70.3
1983	23,300	21,668	10,910	9.3	61.4	58.5	17.4	78.4
1984	22,379	20,796	10,492	8.8	61.7	58.5	16.8	78.2
1985	21,380	19,847	9,906	8.3	60.0	56.6	15.7	75.3
1986	20,904	19,381	9,844	8.1	59.9	56.2	15.7	76.5
1987	20,583	19,072	9,771	7.9	59.2	55.6	15.5	76.1
1988	20,095	18,613	9,351	7.6	58.6	55.2	14.8	75.1
1989	20,266	18,778	9,429	7.6	59.6	55.6	14.9	74.9
1990	21,529	20,020	10,127	8.0	59.6	55.7	15.8	75.4
1991	24,115	22,599	11,952	8.9	63.3	59.3	18.3	83.3
1992	26,886	25,370	13,349	9.9	66.7	64.0	20.1	87.3
1993	28,422	26,952	14,196	10.4	68.6	63.8	21.0	90.3
1994	28,878	27,433	14,391	10.4	72.1	66.8	21.0	94.1
1995	27,989	26,579	13,860	10.0	73.0	67.6	20.0	94.5
1996	26,875	25,494	13,189	9.5	69.8	64.6	18.8	91.2
1997	24,148	22,820	11,847	8.4	64.1	59.9	16.7	83.9
1998	20,969	19,745	10,524	7.2	57.3	53.8	14.7	78.1
1999	19,322	18,146	9,332	6.5	56.3	52.5	13.0	77.2
2000	18,240	17,120	8,743	6.1	55.0	51.7	12.1	75.5
2001	18,383	17,297	8,819	6.1	52.6	49.3	12.0	75.2

[1] Total participants includes all participating States, the District of Columbia, and the territories (including Puerto Rico). The number of child participants includes only the participating States and D.C. (the territories are not included). From 1962 to 1983 the number of participants includes the Family Food Assistance Program (FFAP) that was largely replaced by the Food Stamp program in 1975. The FFAP participants (as of December) for the seven years shown during the period from 1962 to 1974 were respectively: 6,411; 4,742; 3,977; 3,642; 3,002; 2,441; and 1,406 (all in thousands). From 1975 to 1983 the number of FFAP participants averaged only 88 thousand.

[2] Participation figures in column 1 from 1982 on include enrollment in Puerto Rico's Nutrition Assistance Program (averaging 1.2 to 1.5 million persons a month under the nutrition assistance grant and higher figures in earlier years under Food Stamps) as shown in Table FSP 5.

[3] Includes all participating States and the District of Columbia only--the territories are excluded from both numerator and denominator. Population numbers used as denominators are the resident population—see *Current Population Reports*, Series P25-1106. For the persons living in poverty used as denominators, see *Current Population Reports*, Series P60-210.

[4] The pretransfer poverty population used as denominator is the number of all persons in families or living alone whose income (cash income plus social insurance plus Social Security but before taxes and means-tested transfers) falls below the appropriate poverty threshold. See Appendix J, Table 20, *1992 Green Book;* data for subsequent years are unpublished Congressional Budget Office tabulations.

[5] The first fiscal year in which food stamps were available nationwide.

[6] The fiscal year in which the food stamp purchase requirement was eliminated, on a phased in basis.

Sources: U.S. Department of Agriculture, Food and Nutrition Service, National Data Bank, the *1996 Green Book*, and U.S. Bureau of the Census, "Poverty in the United States: 2001," *Current Population Reports*, Series P60-219 and earlier years.

Table FSP 2. Trends in Food Stamp Expenditures, Selected Years 1975 – 2001

Fiscal Year	Total Federal Cost (Benefits + Administration)		Benefits [2] (Federal) [In millions]	Administration [1]		Total Program Cost [In millions]	Average Monthly Benefit per Person	
	Current Dollars [In millions]	2001 Dollars [3] [In millions]		Federal [In millions]	State & Local [In millions]		Current Dollars	2001 Dollars [3]
1975	$5,037	*$16,383*	$4,798	$238	$180	$5,217	$21.50	*$73.20*
1976	5,641	*17,176*	5,276	365	275	5,934	23.50	*70.30*
1977	5,463	*15,484*	5,061	402	300	5,775	24.00	*68.00*
1978	5,546	*14,748*	5,112	434	325	5,883	25.70	*68.30*
1979 [4]	6,965	*17,032*	6,450	515	388	7,388	29.90	*73.10*
1980	9,224	*20,276*	8,721	503	375	9,633	34.20	*75.20*
1981	11,308	*22,603*	10,630	678	504	11,906	39.40	*78.80*
1982	11,117	*20,763*	10,408	709	557	11,697	39.00	*72.80*
1983	12,708	*22,700*	11,930	778	612	13,343	43.00	*76.80*
1984	12,446	*21,324*	11,475	971 [5]	805	13,251	42.70	*73.20*
1985	12,573	*20,794*	11,530	1,043	871	13,444	45.00	*74.40*
1986	12,510	*20,179*	11,397	1,113	935	13,445	45.50	*73.40*
1987	12,512	*19,626*	11,317	1,195	996	13,508	45.80	*72.00*
1988	13,281	*20,012*	11,991	1,290	1,080	14,361	49.80	*75.00*
1989	13,904	*19,993*	12,572	1,332	1,101	15,005	51.80	*74.50*
1990	16,503	*22,606*	15,081	1,422	1,174	17,677	58.90	*80.70*
1991	19,790	*25,806*	18,274	1,516	1,247	21,037	63.90	*83.30*
1992	23,535	*29,786*	21,879	1,656	1,375	24,910	68.60	*86.80*
1993	24,733	*30,386*	23,017	1,716	1,572	26,305	68.00	*83.50*
1994	25,587	*30,622*	23,798	1,789	1,643	27,230	69.00	*82.60*
1995	25,776	*30,020*	23,859	1,917	1,748	27,524	71.30	*83.00*
1996	25,527	*28,923*	23,543	1,984	1,842	27,369	73.20	*82.90*
1997	22,750	*25,099*	20,692	2,058	1,904	24,654	71.30	*78.70*
1998	20,224	*21,955*	18,055	2,169	1,988	22,212	71.10	*77.20*
1999	19,045	*20,288*	16,945	2,100	1,874	22,919	72.20	*76.90*
2000	18,402	*18,994*	16,211	2,200	1,960	20,362	72.80	*75.10*
2001	19,193	*19,193*	16,793	2,400	2,140	21,333	74.80	*74.80*

[1] Amounts include the Federal share of state administrative and employment and training costs (including administrative costs of Puerto Rico's block grant) and certain direct Federal administrative costs. They do not generally include approximately $60 million in food-stamp related federal administrative costs budgeted under a separate appropriation account (although estimates prior to 1989 do include estimates of food stamp related Federal administrative expenses paid out of other Agriculture Department accounts). State and local costs are estimated based on the known Federal shares and represent an estimate of all administrative expenses of participating states (including Puerto Rico).

[2] Benefit costs include the Food Stamp Program and Puerto Rico's nutritional assistance program and are based on unpublished data from the USDA, Food and Nutrition Service, National Data Bank (see Table FSP 4).

[3] Constant dollar adjustments to 2001 level were made using a CPI-U-X1 fiscal year average price index.

[4] The fiscal year in which the food stamp purchase requirement was eliminated, on a phased in basis.

[5] Beginning 1984 USDA took over from DHHS the administrative cost of certifying public assistance households for food stamps.

Note: Total federal cost includes food stamps in Puerto Rico (1975-1981) and funding for Puerto Rico's nutrition assistance grant (1982-present). Average benefit figures, however, do not reflect the lower benefits in Puerto Rico under either the food stamp program from 1975 to 1981 or its nutrition assistance program since July 1982.

Source: USDA, Food and Nutrition Service unpublished data from the National Data Bank; and the *2000 Green Book*.

Table FSP 3. Characteristics of Food Stamp Households, 1980 - 2001

[In percent]

	Year [1]									
	1980	1984	1988	1990	1992	1994	1996	1998	2000	2001
With Gross Monthly Income:										
Below the Federal Poverty Levels........	87	93	92	92	92	90	91	90	89	89
Between the Poverty Levels and 130 Percent of the Poverty Levels..............	10	6	8	8	8	9	8	9	10	10
Above 130 Percent of Poverty..............	2	1	*	*	*	1	1	1	1	1
With Earnings......................................	19	19	20	19	21	21	23	26	27	27
With Public Assistance Income [2]...........	65	71	72	73	66	69	67	65	63	61
With AFDC/TANF Income..................	NA	42	42	43	40	38	37	31	26	23
With SSI Income..................................	18	18	20	19	19	23	24	28	32	32
With Children..	60	61	61	61	62	61	60	58	54	54
And Female Heads of Household.........	NA	47	50	51	51	51	50	47	44	NA
With No Spouse Present	NA	NA	39	37	44	43	43	41	38	NA
With Elderly Members [3]..........................	23	22	19	18	15	16	16	18	21	20
With Elderly Female Heads of Household [3]...	NA	16	14	11	9	11	NA	NA	NA	NA
Average Household Size........................	2.8	2.8	2.8	2.7	2.6	2.6	2.5	2.4	2.3	2.3

[1] Data were gathered in August in the years 1980-84 and during the summer in the years from 1986 to 1994. Reports from 1995 to the present are based on fiscal year averages.

[2] Public assistance income includes AFDC, SSI, and general assistance.

[3] Elderly members and heads of household include those of age 60 or older.

* Less than 0.5 percent.

Source: U.S. Department of Agriculture, Food and Nutrition Service, Office of Analysis, Nutrition, and Evaluation, *Characteristics of Food Stamp Households, Fiscal Year 2001* and earlier years.

Table FSP 4. Value of Food Stamps Issued by State, Selected Fiscal Years 1975 – 2001

[Millions of dollars]

	1975	1980	1985	1990	1995	1998	2000	2001
Alabama	$108	$246	$318	$328	$441	$357	$344	$365
Alaska	7	27	25	25	50	50	46	46
Arizona	45	97	121	239	414	253	240	280
Arkansas	78	122	126	155	212	206	206	223
California	374	530	639	968	2,473	2,020	1,639	1,583
Colorado	48	71	94	156	217	157	127	131
Connecticut	38	59	62	72	169	161	138	136
Delaware	8	21	22	25	47	34	31	32
Dist. of Columbia	32	41	40	43	92	85	77	70
Florida	236	421	368	609	1,307	845	773	771
Georgia	144	264	290	382	700	538	489	515
Guam	3	15	18	15	24	34	36	37
Hawaii	26	60	93	81	177	178	166	150
Idaho	12	29	36	40	59	47	46	47
Illinois	259	394	713	835	1,056	844	777	810
Indiana	64	154	242	226	382	263	268	317
Iowa	29	54	107	109	142	109	100	107
Kansas	13	38	64	96	144	83	83	92
Kentucky	138	211	332	334	413	345	337	350
Louisiana	149	243	365	549	629	467	448	483
Maine	36	60	62	63	112	100	81	86
Maryland	79	140	171	203	365	282	199	191
Massachusetts	104	171	173	207	315	222	182	173
Michigan	132	263	541	663	806	588	457	504
Minnesota	43	62	105	165	240	181	165	172
Mississippi	115	199	264	352	383	254	226	254
Missouri	85	142	212	312	488	345	358	395
Montana	11	18	31	41	57	52	51	54
Nebraska	12	25	44	59	77	68	61	63
Nevada	11	15	22	41	91	63	57	65
New Hampshire	14	22	15	20	44	30	28	28
New Jersey	136	226	260	289	506	384	304	292
New Mexico	49	81	88	117	196	144	140	136
New York	233	726	938	1,086	2,065	1,505	1,361	1,365
North Carolina	139	234	237	282	495	421	403	425
North Dakota	5	9	16	25	32	25	25	27
Ohio	268	382	697	861	1,017	613	520	573
Oklahoma	40	73	134	186	315	231	208	236
Oregon	58	80	142	168	254	198	198	240
Pennsylvania	190	373	547	661	1,006	764	656	639
Puerto Rico	366	828	786	894	1,095	1,166	1,217	1,246
Rhode Island	19	31	35	42	82	57	59	59
South Carolina	126	181	194	240	297	264	249	269
South Dakota	8	18	26	35	40	37	37	39
Tennessee	126	282	280	372	554	437	415	454
Texas	319	514	701	1,429	2,246	1,425	1,215	1,270
Utah	13	22	40	71	90	75	68	67
Vermont	10	18	20	22	46	34	32	31
Virgin Islands	9	19	23	18	28	22	21	18
Virginia	70	158	189	247	450	307	263	263
Washington	71	90	140	229	417	308	241	261
West Virginia	57	87	159	192	253	224	185	178
Wisconsin	33	68	148	180	220	130	129	152
Wyoming	3	6	15	21	28	21	19	19
United States	$4,798	$8,721	$11,530	$15,081	$23,859	$18,055	$16,202	$16,793

Source: U.S. Department of Agriculture, Food and Nutrition Service, unpublished data from the Food Stamp National Data Bank.

Table FSP 5. Average Number of Food Stamp Recipients by State, Selected Fiscal Years

[In thousands]

Fiscal Year	1975	1980	1985	1989	1994	1997	2000	2001	Percent Change 1989-94	Percent Change 1994-01
Alabama	365	583	588	436	545	469	396	411	*25*	*-25*
Alaska	15	29	22	26	46	45	38	38	*76*	*-17*
Arizona	143	196	206	264	512	364	259	291	*94*	*-43*
Arkansas	267	301	253	227	283	266	247	256	*24*	*-9*
California	1,455	1,493	1,615	1,776	3,155	2,815	1,832	1,668	*78*	*-47*
Colorado	150	163	170	211	268	217	156	154	*27*	*-43*
Connecticut	155	170	145	114	223	210	165	157	*96*	*-29*
Delaware	26	52	40	30	59	54	32	32	*99*	*-46*
Dist. of Columbia	122	103	72	58	91	90	81	73	*55*	*-19*
Florida	647	912	630	668	1,474	1,192	882	887	*121*	*-40*
Georgia	498	627	567	485	830	698	559	574	*71*	*-31*
Guam	6	22	20	13	15	18	22	23	*21*	*49*
Hawaii	75	102	99	78	115	127	118	108	*47*	*-5*
Idaho	39	61	59	61	82	70	58	60	*34*	*-27*
Illinois	926	903	1,110	990	1,189	1,020	779	825	*20*	*-31*
Indiana	392	353	406	285	518	348	300	347	*82*	*-33*
Iowa	115	141	203	168	196	161	123	126	*16*	*-35*
Kansas	58	90	119	128	192	149	117	124	*50*	*-35*
Kentucky	472	468	560	447	522	444	403	413	*17*	*-21*
Louisiana	510	569	644	725	756	575	500	518	*4*	*-31*
Maine	126	139	114	84	136	124	102	104	*61*	*-23*
Maryland	261	324	287	249	390	354	219	208	*57*	*-47*
Massachusetts	365	453	337	314	442	340	232	219	*40*	*-50*
Michigan	619	813	985	874	1,031	839	603	641	*18*	*-38*
Minnesota	167	171	228	245	318	260	196	198	*30*	*-38*
Mississippi	376	496	495	493	511	399	276	298	*4*	*-42*
Missouri	300	335	362	404	593	478	423	454	*47*	*-23*
Montana	38	43	58	56	71	67	59	62	*28*	*-13*
Nebraska	49	66	94	92	111	97	82	81	*20*	*-27*
Nevada	32	32	32	41	97	82	61	69	*134*	*-28*
New Hampshire	44	50	28	22	62	46	36	36	*182*	*-42*
New Jersey	490	605	464	353	545	491	345	318	*54*	*-42*
New Mexico	157	185	157	151	244	205	169	163	*62*	*-33*
New York	1,291	1,759	1,834	1,463	2,154	1,914	1,439	1,354	*47*	*-37*
North Carolina	466	582	474	390	630	586	488	494	*61*	*-22*
North Dakota	19	25	33	39	45	38	32	38	*17*	*-17*
Ohio	854	865	1,133	1,068	1,245	874	610	641	*17*	*-49*
Oklahoma	171	209	263	261	376	322	253	271	*44*	*-28*
Oregon	201	197	228	213	286	259	234	284	*34*	*-1*
Pennsylvania	848	980	1,032	916	1,208	1,009	777	748	*32*	*-38*
Puerto Rico	810	1,864	1,481	1,460	1,410	1,290	1,082	1,070	*-3*	*-24*
Rhode Island	86	87	69	57	94	85	74	71	*65*	*-24*
South Carolina	410	426	373	272	385	349	295	316	*42*	*-18*
South Dakota	33	43	48	50	53	47	43	45	*6*	*-16*
Tennessee	397	624	518	500	735	586	496	522	*47*	*-29*
Texas	1,133	1,167	1,263	1,634	2,726	2,034	1,333	1,361	*67*	*-50*
Utah	46	54	75	95	128	98	82	80	*34*	*-38*
Vermont	44	46	44	34	65	53	47	39	*90*	*-40*
Virgin Islands	16	34	32	16	20	20	16	13	*23*	*-34*
Virginia	257	384	360	333	547	476	336	332	*65*	*-39*
Washington	253	248	281	321	468	449	295	309	*46*	*-34*
West Virginia	242	209	278	259	321	287	227	221	*24*	*-31*
Wisconsin	148	215	363	291	330	232	193	216	*13*	*-35*
Wyoming	10	14	27	27	34	29	22	23	*25*	*-34*
United States	17,192	21,082	21,380	20,266	28,878	24,148	18,240	18,383	*42*	*-36*

Source: U.S. Department of Agriculture, Food and Nutrition Service, unpublished data from the National Data Bank.

Table FSP 6. Food Stamp Recipiency Rates by State, Selected Fiscal Years

[In percent]

	1975	1980	1985	1989	1994	1997	2000	2001	Percent Change	
									1989-94	1994-01
Alabama	9.9	14.9	14.8	10.8	12.9	10.9	8.9	9.2	*19*	*-29*
Alaska	4.0	7.1	4.1	4.8	7.6	7.4	6.0	6.0	*60*	*-22*
Arizona	6.3	7.1	6.5	7.3	12.3	8.0	5.0	5.5	*69*	*-56*
Arkansas	12.4	13.1	10.9	9.7	11.5	10.5	9.2	9.5	*19*	*-17*
California	6.8	6.3	6.1	6.1	10.1	8.7	5.4	4.8	*66*	*-52*
Colorado	5.8	5.6	5.3	6.5	7.3	5.6	3.6	3.5	*14*	*-53*
Connecticut	5.0	5.5	4.5	3.5	6.8	6.4	4.8	4.6	*97*	*-33*
Delaware	4.5	8.7	6.5	4.5	8.4	7.3	4.1	4.0	*85*	*-52*
Dist. of Columbia	17.2	16.1	11.4	9.4	16.1	17.1	14.1	12.8	*71*	*-20*
Florida	7.6	9.3	5.5	5.3	10.6	8.1	5.5	5.4	*100*	*-49*
Georgia	9.8	11.4	9.5	7.6	11.8	9.3	6.8	6.8	*56*	*-42*
Hawaii	8.4	10.6	9.5	7.1	9.8	10.7	9.7	8.8	*37*	*-10*
Idaho	4.6	6.4	5.9	6.1	7.2	5.8	4.5	4.5	*17*	*-37*
Illinois	8.2	7.9	9.7	8.7	10.1	8.5	6.3	6.6	*16*	*-35*
Indiana	7.3	6.4	7.4	5.2	9.0	5.9	4.9	5.7	*75*	*-37*
Iowa	4.0	4.8	7.2	6.1	6.9	5.6	4.2	4.3	*14*	*-38*
Kansas	2.5	3.8	4.9	5.2	7.5	5.7	4.3	4.6	*44*	*-38*
Kentucky	13.6	12.8	15.2	12.1	13.7	11.4	10.0	10.1	*13*	*-26*
Louisiana	13.1	13.5	14.6	17.0	17.6	13.2	11.2	11.6	*3*	*-34*
Maine	11.8	12.3	9.8	6.9	11.0	9.9	8.0	8.1	*59*	*-26*
Maryland	6.3	7.7	6.5	5.3	7.8	7.0	4.1	3.9	*49*	*-51*
Massachusetts	6.3	7.9	5.7	5.2	7.3	5.6	3.6	3.4	*40*	*-53*
Michigan	6.8	8.8	10.8	9.4	10.8	8.6	6.1	6.4	*14*	*-40*
Minnesota	4.2	4.2	5.5	5.7	7.0	5.6	4.0	4.0	*23*	*-43*
Mississippi	15.7	19.6	19.1	19.1	19.2	14.6	9.7	10.4	*0*	*-46*
Missouri	6.2	6.8	7.2	7.9	11.2	8.8	7.6	8.1	*42*	*-28*
Montana	5.1	5.5	7.1	7.0	8.3	7.6	6.6	6.8	*20*	*-18*
Nebraska	3.2	4.2	5.9	5.9	6.8	5.9	4.8	4.7	*17*	*-31*
Nevada	5.2	4.0	3.4	3.6	6.6	4.9	3.0	3.3	*83*	*-50*
New Hampshire	5.3	5.4	2.8	2.0	5.4	3.9	2.9	2.8	*174*	*-48*
New Jersey	6.7	8.2	6.1	4.6	6.9	6.1	4.1	3.7	*51*	*-46*
New Mexico	13.5	14.1	10.9	10.0	14.8	11.9	9.3	8.9	*47*	*-40*
New York	7.2	10.0	10.3	8.1	11.9	10.5	7.6	7.1	*46*	*-40*
North Carolina	8.4	9.9	7.6	5.9	8.9	7.9	6.0	6.0	*50*	*-33*
North Dakota	2.9	3.9	4.9	6.0	7.1	5.9	5.0	5.9	*19*	*-16*
Ohio	7.9	8.0	10.6	9.9	11.2	7.8	5.4	5.6	*14*	*-50*
Oklahoma	6.2	6.9	8.0	8.3	11.6	9.7	7.3	7.8	*40*	*-33*
Oregon	8.6	7.5	8.5	7.6	9.3	8.0	6.8	8.2	*21*	*-12*
Pennsylvania	7.1	8.3	8.8	7.7	10.0	8.4	6.3	6.1	*30*	*-39*
Rhode Island	9.2	9.1	7.2	5.7	9.4	8.6	7.1	6.7	*66*	*-29*
South Carolina	14.1	13.6	11.3	7.9	10.5	9.2	7.3	7.8	*34*	*-26*
South Dakota	4.8	6.2	6.9	7.2	7.4	6.4	5.7	5.9	*2*	*-20*
Tennessee	9.3	13.6	11.0	10.3	14.2	10.9	8.7	9.1	*38*	*-36*
Texas	9.0	8.1	7.8	9.7	14.9	10.5	6.4	6.4	*53*	*-57*
Utah	3.7	3.7	4.6	5.6	6.6	4.8	3.7	3.5	*19*	*-47*
Vermont	9.1	8.9	8.2	6.1	11.2	9.0	6.7	6.3	*83*	*-43*
Virginia	5.1	7.2	6.3	5.4	8.4	7.1	4.7	4.6	*54*	*-45*
Washington	7.0	6.0	6.4	6.8	8.8	8.0	5.0	5.1	*30*	*-41*
West Virginia	13.1	10.7	14.6	14.3	17.7	15.8	12.6	12.3	*23*	*-30*
Wisconsin	3.2	4.6	7.6	6.0	6.5	4.5	3.6	4.0	*8*	*-38*
Wyoming	2.7	3.0	5.4	6.0	7.2	6.0	4.5	4.6	*20*	*-36*
United States	7.6	8.4	8.3	7.6	10.5	8.5	6.1	6.1	*39*	*-43*

Note: Recipiency rate refers to the average monthly number of food stamp recipients in each State during the particular fiscal year expressed as a percent of the total resident population as of July 1 of that year. The numerator is from Table FSP 5.

Source: U.S. Department of Agriculture, Food and Nutrition Service, unpublished data from the National Data Bank and U.S. Bureau of the Census, (Resident population by state available online at http://www.census.gov/population/estimates/state/).

Supplemental Security Income

The Supplemental Security Income (SSI) Program is a means-tested, federally administered income assistance program authorized by title XVI of the Social Security Act. Established in 1972 (Public Law 92-603) and begun in 1974, SSI provides monthly cash payments in accordance with uniform, nationwide eligibility requirements to needy aged, blind and disabled persons. To qualify for SSI payments, a person must satisfy the program criteria for age, blindness or disability. Children may qualify for SSI if they are under age 18 and meet the applicable SSI disability or blindness, income and resource requirements. Individuals and married couples are eligible for SSI if their countable incomes fall below the Federal maximum monthly SSI benefit levels, which were $552 for an individual and $829 for a married couple in fiscal year 2003. SSI eligibility is restricted to qualified persons who have countable resources/assets of not more than $2,000, or $3,000 for a couple.

Since its inception, SSI has been viewed as the "program of last resort." The Social Security Administration, which administers the SSI program, helps recipients get any other public assistance for which they are eligible. After evaluating all other income, SSI pays what is necessary to bring an individual to the statutorily prescribed income "floor." As of December 2001, 36 percent of all SSI recipients also received Social Security retirement or survivor benefits, which are the single greatest source of income for SSI recipients.

Prior to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), no individual could receive both SSI payments and Aid to Families with Dependent Children (AFDC) benefits. If eligible for both, the individual had to choose which benefit to receive. Generally, the AFDC agency encouraged individuals to file for SSI and, once the SSI payments had started, the individual was removed from the AFDC filing unit. In contrast, the PRWORA does not prohibit an individual from receiving both TANF benefits and SSI, since states have the authority to set TANF eligibility standards and benefit levels.

With the exception of California, which converted food stamp benefits to cash payments that are included in the State supplementary payment, SSI recipients may be eligible to receive food stamps. If all household members receive SSI, they do not need to meet the Food Stamp Program financial eligibility standards but rather are categorically eligible. If SSI beneficiaries live in households in which other household members do not receive SSI benefits, the household must meet the net income eligibility standard of the Food Stamp Program to be eligible for food stamp benefits.

Legislative Changes

Several legislative changes made in the 104th Congress are likely to affect SSI participation and expenditures. Public Law 104-121, the Contract with America Advancement Act of 1996, prohibits SSI eligibility to individuals whose drug addiction and/or alcoholism (DAA) is a contributing factor material to the finding of disability. This provision applied to individuals who filed for benefits on or after the date of enactment (March 29, 1996) and to individuals whose claims were finally adjudicated on or after the date of enactment. It applied to current beneficiaries on January 1, 1997.

The PRWORA made several changes designed to maintain the SSI program's goal of limiting benefits to severely disabled children. First, the act replaced the former "comparable severity" test with a new definition of disability specifically for children, based on a medically determinable physical or mental impairment that results in "marked and severe functional limitations." Second, it discontinued use of the Individualized Functional Assessment (IFA) which the Social Security Administration had implemented in 1991 following the Supreme Court's decision in *Sullivan* v *Zebley*, 493 U.S. 521 (1990).[1] Third, it eliminated references to "maladaptive behaviors" in certain sections of the Listing of Impairments (among medical criteria for evaluation of mental and emotional disorders in the domain of personal/behavioral function). The latter two provisions were effective for all new and pending applications upon enactment (August 22, 1996). Beneficiaries who were receiving benefits due to an IFA or under the Listings because of limitations resulting from maladaptive behaviors received notice no later than January 1, 1997, that their benefits might end when their case was redetermined. Additional provisions of the PRWORA with impact on enrollment are the requirement that eligibility be redetermined when beneficiaries reach age 18, using the adult disability standard; that "continuing disability reviews" be done for children; and that children who were eligible due to low birth weight have their eligibility redetermined at age one.

Title IV of PRWORA also made significant changes in the eligibility of noncitizens for SSI benefits. Some of the restrictions were subsequently moderated, most notably by the Balanced Budget Act of 1997 (Public Law 105-33), which "grandfathered" immigrants who were receiving SSI at the time of enactment of the PRWORA. Those immigrants who entered the U.S. after August 22, 1996, may be eligible to receive SSI after having been "lawfully admitted for permanent residence."

Several provisions aimed at reducing SSI fraud and improving recovery of overpayments were enacted in 1999, as part of the Foster Care Independence Act of 1999 (P. L. 106-169). Other legislation enacted in 1999 provides additional work incentives for disabled beneficiaries of SSI.

SSI Program Data

The following tables and figures provide SSI program data:

- Tables SSI 1 through SSI 5 present national caseload and expenditure trend data on the SSI program;
- Table SSI 6 presents demographic characteristics of the SSI caseload; and
- Tables SSI 7 and SSI 8 present state-by-state trend data on the SSI program through fiscal year 2001.

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[1] In this case, the Supreme Court ruled that the IFA (or a residual functional capacity assessment) that applied to adults whose condition did not meet or equal a listing of medical impairments to determine eligibility should also be applied to children whose condition did not meet or equal the medical listing of impairments.

From 1990 to 1995, the program increased from 4.8 million beneficiaries to 6.5 million beneficiaries, an average growth rate of over 6 percent per year. Between 1995 and 2000, the number of beneficiaries fluctuated between 6.5 and 6.6 million persons. In December 2001, there were 6.7 million beneficiaries. Table SSI 1 presents information on the total number of persons receiving SSI payments in December of each year from 1974 through 2001, and also presents recipients by eligibility category (aged, blind and disabled) and by type of recipient (child, adult age 18-64, and adult age 65 or older). See also Table IND 4c in Chapter II for further data on trends in recipiency and participation rates.

The composition of the SSI caseload has been shifting over time, as shown in Table SSI 1. The number of beneficiaries eligible because of age has been declining steadily, from a high of 2.3 million persons in December 1975 to less than 1.3 million persons in December 2001. At the same time, there has been strong growth in blind and disabled beneficiaries, from 1.7 million in December 1974 to 5.4 million in December 2001. Moreover, the number of disabled children has increased dramatically, particularly during the 1990s, when the number of disabled children receiving SSI increased from 340,000 in December 1990 to 955,000 in December 1996. The number of disabled children fell in the next three years, stabilized at 847,000 in 1999 and 2000, and rose to 882,000 in 2001.

Several factors have contributed to the growth of the Supplemental Security Income program. Expansions in disability eligibility (particularly for mentally impaired adults and for children), increased outreach, overall growth in immigration, and transfers from state programs were among the key factors identified in a 1995 study by the General Accounting Office (GAO). GAO concluded that three groups – adults with mental impairments, children, and non-citizens – accounted for nearly 90 percent of the SSI program's growth in the early 1990s. The growth in disabled children beneficiaries is generally believed to be due to outreach activities, the Supreme Court decision in the *Zebley* case, expansion of the medical impairment category, and reduction in reviews of continuing eligibility.[2]

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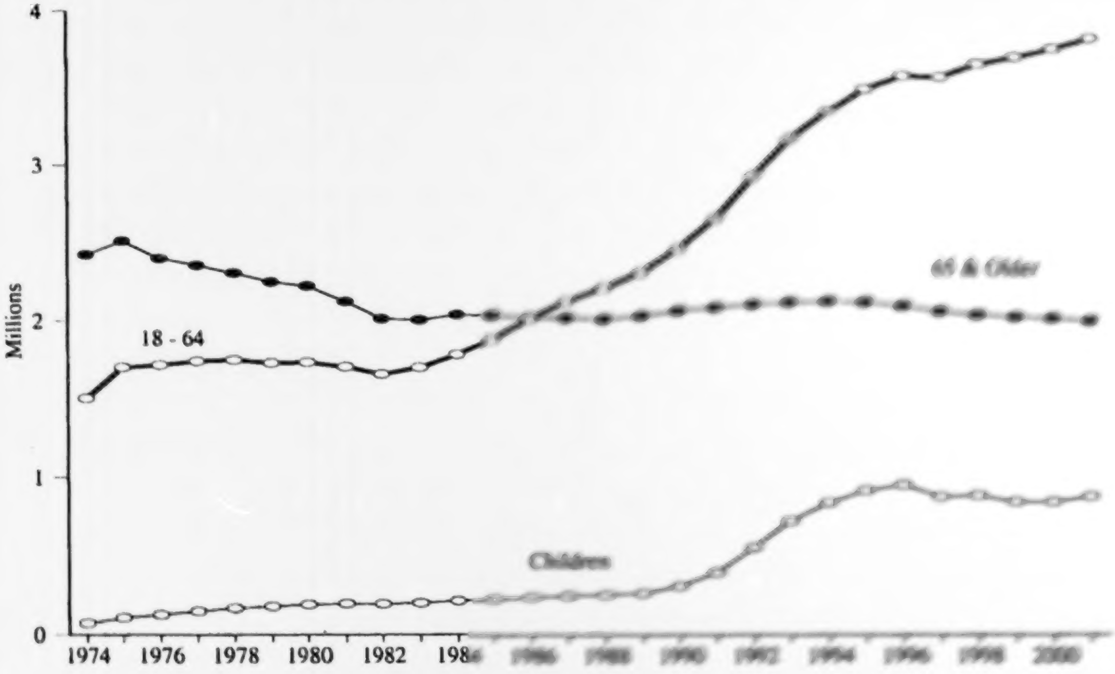
[2] The GAO study estimated that 87,000 children were added to the SSI caseload after the IFA for children was initiated.

Figure SSI 1. SSI Recipients by Age, 1974 – 2001



Source: Social Security Administration, Office of Research, Evaluation, and Statistics. (Data available online at http://www.ssa.gov/statistics/ores_home.html).

Table SSI 1. Number of Persons Receiving Federally Administered SSI Payments 1974 – 2001

[In thousands]

Date		Total	Eligibility Category				Type of Recipient		
			Aged	Blind and Disabled			Children	Adults	
				Total	Blind	Disabled		Age 18-64	65 or Older
Dec	1974	3,996	2,286	1,710	75	1,636	71 [1]	1,503	2,422
Dec	1975	4,314	2,307	2,007	74	1,933	107	1,699	2,508
Dec	1976	4,236	2,148	2,088	76	2,012	125	1,714	2,397
Dec	1977	4,238	2,051	2,187	77	2,109	147	1,738	2,353
Dec	1978	4,217	1,968	2,249	77	2,172	166	1,747	2,304
Dec	1979	4,150	1,872	2,278	77	2,201	177	1,727	2,246
Dec	1980	4,142	1,808	2,334	78	2,256	190	1,731	2,221
Dec	1981	4,019	1,678	2,341	79	2,262	195	1,703	2,121
Dec	1982	3,858	1,549	2,309	77	2,231	192	1,655	2,011
Dec	1983	3,901	1,515	2,386	79	2,307	198	1,700	2,003
Dec	1984	4,029	1,530	2,499	81	2,419	212	1,780	2,037
Dec	1985	4,138	1,504	2,634	82	2,551	227	1,879	2,031
Dec	1986	4,269	1,473	2,796	83	2,713	241	2,010	2,018
Dec	1987	4,385	1,455	2,930	83	2,846	251	2,119	2,015
Dec	1988	4,464	1,433	3,030	83	2,948	255	2,203	2,006
Dec	1989	4,593	1,439	3,154	83	3,071	265	2,302	2,026
Dec	1990	4,817	1,454	3,363	84	3,279	309	2,450	2,059
Dec	1991	5,118	1,465	3,654	85	3,569	397	2,642	2,080
Dec	1992	5,566	1,471	4,095	85	4,010	556	2,910	2,100
Dec	1993	5,984	1,475	4,509	85	4,424	723	3,148	2,113
Dec	1994	6,296	1,466	4,830	85	4,745	841	3,335	2,119
Dec	1995	6,514	1,446	5,068	84	4,984	917	3,482	2,115
Dec	1996	6,614	1,413	5,201	82	5,119	955	3,568	2,090
Dec	1997	6,495	1,362	5,133	81	5,052	880	3,562	2,054
Dec	1998	6,566	1,332	5,234	80	5,154	887	3,646	2,033
Dec	1999	6,557	1,308	5,249	79	5,169	847	3,691	2,019
Dec	2000	6,602	1,289	5,312	79	5,234	847	3,744	2,011
Dec	2001	6,688	1,264	5,424	78	5,346	882	3,811	1,995

[1] Includes students 18-21 in 1974 only.

Source: Social Security Administration, Office of Research, Evaluation, and Statistics, *Social Security Bulletin • Annual Statistical Supplement* • 2002, (Data available online at http://www.ssa.gov/statistics).

Table SSI 2. SSI Recipiency Rates, 1974 – 2001

[In percent]

Date	All Recipients as a Percent of Total Population [1]	Adults 18-64 as a Percent of 18-64 Population [1]	Child Recipients as a Percent of All Children [1]	Elderly Recipients (Persons 65 & Older) as a Percent of		
				All Persons 65 & Older [1]	All Elderly Poor [2]	Pretransfer Elderly Poor [3]
Dec 1974	1.9	1.2	0.1	10.8	78.5	NA
Dec 1975	2.0	1.3	0.2	10.9	75.6	NA
Dec 1976	1.9	1.3	0.2	10.2	72.4	NA
Dec 1977	1.9	1.3	0.2	9.7	74.1	NA
Dec 1978	1.9	1.3	0.3	9.3	71.5	NA
Dec 1979	1.8	1.3	0.3	8.8	61.3	66.8
Dec 1980	1.8	1.2	0.3	8.6	57.5	64.7
Dec 1981	1.7	1.2	0.3	8.0	55.0	63.3
Dec 1982	1.7	1.2	0.3	7.4	53.6	62.3
Dec 1983	1.7	1.2	0.3	7.3	55.2	61.9
Dec 1984	1.7	1.2	0.3	7.2	61.2	66.3
Dec 1985	1.7	1.3	0.4	7.1	58.7	64.5
Dec 1986	1.8	1.3	0.4	6.9	57.9	63.4
Dec 1987	1.8	1.4	0.4	6.7	56.5	64.7
Dec 1988	1.8	1.5	0.4	6.6	57.6	64.3
Dec 1989	1.9	1.5	0.4	6.5	60.3	64.6
Dec 1990	1.9	1.6	0.5	6.5	56.3	63.3
Dec 1991	2.0	1.7	0.6	6.5	55.0	61.1
Dec 1992	2.2	1.9	0.8	6.4	53.5	59.8
Dec 1993	2.3	2.0	1.1	6.4	56.3	63.3
Dec 1994	2.4	2.1	1.2	6.3	57.9	65.6
Dec 1995	2.4	2.2	1.3	6.2	63.7	71.6
Dec 1996	2.4	2.2	1.4	6.1	61.0	69.3
Dec 1997	2.4	2.2	1.2	6.0	60.8	69.1
Dec 1998	2.4	2.2	1.2	5.9	60.0	69.1
Dec 1999	2.3	2.2	1.2	5.8	60.7	72.4
Dec 2000	2.3	2.1	1.2	5.7	60.5	66.9
Dec 2001	2.3	2.1	1.2	5.6	58.4	67.6

[1] Population numbers used for the denominators are Census resident population estimates adjusted to the December date by averaging the July 1 population of the current year with the July 1 population of the following year; see *Current Population Reports*, Series P25-1106 and Resident Population Estimates of the United States by Age and Sex, April 1, 1990 to July 1, 2000, Internet release date January 2, 2001 and the 2000 Decennial Census (Available online at http://www.census.gov).

[2] For the number of persons (65 years of age and older living in poverty) used as the denominator, see *Current Population Reports*, Series P60-214.

[3] The pretransfer poverty population used as the denominator is the number of all elderly persons living in elderly-only units whose income (cash income plus social insurance plus Social Security but before taxes and means-tested transfers) falls below the appropriate poverty threshold. See Appendix J, Table 20, *1992 Green Book;* data for subsequent years are unpublished Congressional Budget Office tabulations.

Notes: Numerators for these ratios are from Table SSI 1. Rates computed by DHHS.

Source: *1994 Green Book* and U.S. Bureau of the Census, "Poverty in the United States: 2001," *Current Population Reports*, Series P60-219, and earlier years, (Available online at http://www.census.gov/hhes/www/poverty.html).

Table SSI 3. Total, Federal, and State SSI Benefits and Administration, 1974 – 2000[1]

[In millions of dollars]

Calendar Year	Total Benefits		Federal Payments	State Supplementation			Administrative Costs (fiscal year)
	2001[2] Dollars	Current Dollars		Total	Federally Administered	State Administered	
1974	$17,900	$5,246	$3,833	$1,413	$1,264	$149	$285
1975	18,524	5,878	4,314	1,565	1,403	162	399
1976	18,080	6,066	4,512	1,554	1,388	166	500
1977	17,671	6,306	4,703	1,603	1,431	172	526
1978	17,191	6,552	4,881	1,671	1,491	180	539
1979	16,972	7,075	5,279	1,797	1,590	207	610
1980	17,088	7,941	5,866	2,074	1,848	226	668
1981	16,890	8,593	6,518	2,076	1,839	237	718
1982	16,637	8,981	6,907	2,074	1,798	276	779
1983	16,722	9,404	7,423	1,982	1,711	270	830
1984	17,679	10,372	8,281	2,091	1,792	299	864
1985	18,205	11,060	8,777	2,283	1,973	311	953
1986	19,521	12,081	9,498	2,583	2,243	340	1,022
1987	20,190	12,951	10,029	2,922	2,563	359	976
1988	20,639	13,786	10,734	3,052	2,671	381	975
1989	21,395	14,980	11,606	3,374	2,955	419	1,051
1990	22,491	16,599	12,894	3,705	3,239	466	1,075
1991	24,087	18,524	14,765	3,759	3,231	529	1,257
1992	28,064	22,233	18,247	3,986	3,435	550	1,538
1993	30,097	24,557	20,722	3,835	3,270	566	1,467
1994	30,923	25,877	22,175	3,701	3,116	585	1,775
1995	32,105	27,628	23,919	3,708	3,118	590	1,973
1996	33,499	28,793	25,265	3,527	2,988	539	1,949
1997	33,057	29,052	25,457	3,595	2,913	682	2,055
1998	32,830	30,216	26,405	3,812	3,005	808	2,304
1999	32,873	30,923	26,805	4,154	3,301	853	2,493
2000	32,463	31,564	27,290	4,274	3,381	893	2,491
2001	33,064	33,061	28,706	4,355	3,460	895	2,498

[1] Payments and adjustments during the respective year but not necessarily accrued for that year

[2] Data adjusted for inflation by ASPE using the CPI-U-X1 for calendar years

Source: Social Security Administration, Office of Research, Evaluation, and Statistics, *Social Security Bulletin • Annual Statistical Supplement • 2002*, (Data available online at http://wwwssagov/statistics).

Table SSI 4. Average Monthly SSI Benefit Payments, 1974 – 2001

Calendar Year	Total [1]		Federal Payments	State Supplementation		
	2001 Dollars	Current Dollars		Total	Federally Administered	State Administered
1974	$480	$135	$108	$64	$71	$35
1975	366	112	92	66	69	45
1976	359	118	99	68	71	50
1977	347	123	104	69	72	53
1978	340	128	108	72	74	56
1979	343	140	119	77	79	67
1980	347	158	133	89	91	76
1981	352	176	151	92	94	79
1982	358	191	166	96	97	93
1983	353	198	172	91	92	89
1984	362	211	187	93	93	93
1985	363	219	193	99	99	102
1986	374	232	202	107	108	101
1987	380	242	208	117	118	110
1988	381	253	219	118	118	118
1989	384	267	230	126	126	127
1990	388	283	244	132	131	136
1991	387	297	260	125	122	143
1992	415	328	292	124	121	147
1993	415	337	306	112	107	150
1994	405	338	310	105	99	152
1995	408	350	322	110	103	164
1996	407	359	333	108	103	145
1997	407	369	342	99	102	86
1998	411	379	350	103	104	102
1999	414	388	356	111	113	105
2000	406	393	360	113	114	109
2001	407	407	373	113	114	108

[1] Total is a weighted average of the Federal plus State average benefit, the Federal-only average benefit, and State-only average benefit.

Note: The numerators for these averages are given in Table SSI 3 and the denominators are given in Table SSI 5. Averages were computed by DHHS. Data adjusted for inflation using a fiscal-year average CPI-U-X1 index.

Source: Number of persons receiving payments obtained from Social Security Administration, Office of Research, Evaluation, and Statistics, *Social Security Bulletin • Annual Statistical Supplement • 2002*.

Table SSI 5. Number of Persons Receiving SSI Payments by Type of Payment, 1974 – 2001

(in thousands)

			State Supplementation		
Date	Total	Federal	Total	Federally Administered	State Administered
Jan 1974......	3,249	2,956	1,839	1,480	358
Dec 1975......	4,360	3,893	1,987	1,684	303
Dec 1980......	4,194	3,682	1,934	1,685	249
Dec 1984......	4,094	3,699	1,875	1,607	268
Dec 1985......	4,200	3,799	1,916	1,661	255
Dec 1986......	4,347	3,922	2,003	1,723	279
Dec 1987......	4,458	4,019	2,079	1,807	272
Dec 1988......	4,541	4,089	2,155	1,885	270
Dec 1989......	4,673	4,206	2,224	1,950	275
Dec 1990......	4,888	4,412	2,344	2,058	286
Dec 1991......	5,200	4,730	2,512	2,204	308
Dec 1992......	5,647	5,202	2,684	2,372	313
Dec 1993......	6,065	5,636	2,850	2,536	314
Dec 1994......	6,377	5,965	2,950	2,628	322
Dec 1995......	6,576	6,194	2,817	2,518	300
Dec 1996......	6,677	6,326	2,732	2,421	310
Dec 1997......	6,565	6,212	3,029	2,372	657
Dec 1998......	6,649	6,289	3,072	2,412	661
Dec 1999......	6,641	6,275	3,116	2,441	675
Dec 2000......	6,685	6,320	3,164	2,481	683
Dec 2001......	6,776	6,410	3,209	2,520	689

Source: Number of persons receiving payments obtained from Social Security Administration, Office of Research, Evaluation, and Statistics, *Social Security Bulletin • Annual Statistical Supplement • 2002*.

Table SSI 6. Characteristics of SSI Recipients, by Age, Sex, Earnings/Income, and Citizenship: Selected Years, 1980-2001

	1980	1985	1990	1992	1994	1997	2000	2001
				Total				
Ages	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
under 18	5.5	5.5	6.4	10.0	13.4	13.5	12.8	13.1
18-64	40.9	45.4	50.9	52.3	53.0	54.8	56.7	56.9
65 or older	53.6	49.1	42.7	37.7	33.7	31.6	30.5	30.0
Sex								
Male	34.4	35.2	37.2	39.0	41.3	41.3	41.5	41.7
Female	65.5	64.8	62.8	61.0	58.7	58.7	58.5	58.3
Selected Sources of Income								
Earnings	3.2	3.8	4.7	4.4	4.2	4.5	4.4	4.3
Social Security	51.0	49.4	45.9	42.1	39.1	37.1	36.1	35.7
No other income	34.8	34.5	36.4	38.7	43.6	46.5	54.4	54.8
Noncitizens	NA	5.1	9.0	10.8	11.7	10.0	10.5	10.4
Eligibility Category								
Aged	43.6	36.4	30.2	26.4	23.3	21.0	19.5	18.9
Blind	1.9	2.0	1.7	1.5	1.4	1.2	1.2	1.2
Disabled	54.5	61.7	68.1	72.0	75.4	77.8	79.3	79.9
				Aged				
Ages	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
65-69	14.0	14.9	19.4	20.7	20.5	17.6	15.6	15.3
70-79	51.5	45.6	41.3	42.5	44.3	48.4	50.0	49.6
80 or older	34.5	39.5	39.2	36.8	35.1	34.0	34.5	35.0
Sex								
Male	27.3	25.5	25.1	25.6	26.8	27.8	29.0	29.4
Female	72.6	74.5	74.9	74.4	73.2	72.2	71.0	70.6
Noncitizens	NA	9.7	19.4	25.4	30.0	27.0	28.5	28.8
				Blind and Disabled				
Ages	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
18-64	80.2	77.7	80.0	82.0	83.4	83.6	83.8	84.0
65 or older	19.8	22.3	20.0	18.0	16.6	16.4	16.2	16.2
Sex[1]								
Male	39.8	40.8	42.4	43.9	41.8	41.1	44.5	44.6
Female	60.2	59.2	57.6	56.1	58.2	58.9	55.5	55.4
Noncitizens	NA	2.4	4.6	5.6	6.2	5.5	6.1	6.1
				Children				
Ages	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Under 5	11.7	NA	NA	16.0	15.8	15.8	15.5	16.1
5-9	20.9	NA	NA	26.9	28.5	30.2	28.5	27.4
10-14	28.8	NA	NA	30.6	32.7	34.6	36.2	36.5
15-17	21.7	NA	NA	15.7	17.3	19.4	19.8	19.9
18-21[2]	16.8	14.3	9.3	10.8	5.7	—	—	—
Sex								
Male	NA	NA	NA	62.0	63.0	62.9	63.8	63.9
Female	NA	NA	NA	38.0	37.0	37.1	36.2	36.1

Note: Data are for December of the year.

[1] For 1980-1992 male-female classification reflects all blind and disabled, both children and adults; thereafter, it is based on adults only.

[2] In this table, students 18-21 are classified as children prior to 1998.

Source: Social Security Administration, *Social Security Bulletin • Annual Statistical Supplement • 2002* and prior years.

Table SSI 7. Total SSI Payments, Federal SSI Payments And State Supplementary Payments
Calendar Year 2001

(In thousands)

State	Total	Total Federal	Federal SSI	State Supplementation: Federally Administered	State Supplementation: State Administered
Total	$33,060,819	$32,165,895	$28,705,503	$3,460,353	$894,963
Alabama	698,747	698,244	698,244	–	503
Alaska	92,858	40,434	40,434	–	52,424
Arizona	382,623	382,249	382,249	–	374
Arkansas	341,104	341,104	341,103	1	–
California	6,684,637	6,684,637	4,275,710	2,408,927	–
Colorado	315,315	236,648	236,648	–	78,667
Connecticut	311,512	227,245	227,245	–	84,267
Delaware	53,110	53,110	52,087	1,023	–
District of Columbia	97,542	97,542	94,145	3,397	–
Florida	1,752,175	1,724,213	1,724,204	9	27,962
Georgia	826,310	826,310	826,306	4	–
Hawaii	106,664	106,664	94,416	12,248	–
Idaho	89,857	80,917	80,917	–	8,940
Illinois	1,237,215	1,207,560	1,207,560	–	29,655
Indiana	402,965	399,185	399,185	–	3,780
Iowa	183,925	167,326	164,585	2,741	16,599
Kansas	157,989	157,989	157,989	–	–
Kentucky	796,683	778,881	778,881	–	17,802
Louisiana	741,775	741,293	741,293	–	482
Maine	131,686	122,659	122,659	–	9,027
Maryland	427,859	419,779	419,771	8	8,080
Massachusetts	833,337	833,337	667,633	165,704	–
Michigan	1,099,694	1,021,227	994,836	26,391	78,467
Minnesota	369,230	288,792	288,792	–	80,438
Mississippi	529,598	529,598	529,594	4	–
Missouri	521,055	495,343	495,343	–	25,712
Montana	60,977	60,977	60,151	826	–
Nebraska	96,319	90,012	90,012	–	6,307
Nevada	120,453	120,453	115,385	5,068	–
New Hampshire	63,764	52,167	52,167	–	11,597
New Jersey	700,334	700,334	620,880	79,454	–
New Mexico	205,492	205,259	205,259	–	233
New York	3,319,861	3,319,861	2,765,299	554,562	–
North Carolina	905,119	769,394	769,394	–	135,725
North Dakota	33,034	31,104	31,104	–	1,930
Ohio	1,161,754	1,161,754	1,161,747	7	–
Oklahoma	353,139	315,739	315,739	–	37,400
Oregon	266,179	245,903	245,903	–	20,276
Pennsylvania	1,464,383	1,464,383	1,327,518	136,865	–
Rhode Island	141,034	141,034	116,473	24,561	–
South Carolina	458,854	445,746	445,746	–	13,108
South Dakota	53,198	51,007	51,001	6	2,191
Tennessee	688,916	688,916	688,914	2	–
Texas	1,682,894	1,682,894	1,682,894	–	–
Utah	92,732	92,732	92,677	55	–
Vermont	53,760	53,760	44,574	9,186	–
Virginia	575,741	555,064	555,064	–	20,677
Washington	521,751	521,401	492,011	29,390	350
West Virginia	335,311	335,311	335,311	–	–
Wisconsin	491,921	370,606	370,606	–	121,315
Wyoming	25,221	24,546	24,546	–	675
Other: N. Mariana Islands	3,252	3,252	3,252	–	–

Source: Number of persons receiving payments obtained from Social Security Administration, Office of Research, Evaluation, and Statistics, *Social Security Bulletin • Annual Statistical Supplement • 2002.*

Table SSI 8. SSI Recipiency Rates by State And Program Type for 1979 and 2001

[In percent]

	Total Recipiency Rate			Rate for Adults 18-64			Rate for Adults 65 & Over		
	1979	2001	Percent Change 1979-01	1979	2001	Percent Change 1979-01	1979	2001	Percent Change 1979-01
Alabama	3.6	3.6	*1*	1.8	3.4	*86*	21.0	7.3	*-65*
Alaska	0.8	1.4	*82*	0.5	1.5	*178*	14.0	6.1	*-57*
Arizona	1.1	1.6	*44*	0.9	1.5	*69*	5.0	3.2	*-36*
Arkansas	3.5	3.2	*-9*	1.9	2.9	*55*	17.1	6.1	*-64*
California	3.0	3.2	*6*	2.1	2.5	*22*	16.4	13.1	*-20*
Colorado	1.1	1.2	*9*	0.8	1.2	*56*	6.7	3.2	*-52*
Connecticut	0.8	1.4	*87*	0.6	1.5	*138*	2.7	2.6	*-4*
Delaware	1.2	1.5	*26*	0.9	1.4	*49*	5.4	2.3	*-58*
District of Columbia	2.3	3.5	*54*	1.9	3.0	*56*	8.6	6.8	*-21*
Florida	1.8	2.4	*35*	1.1	1.9	*67*	6.2	4.6	*-26*
Georgia	2.9	2.4	*-16*	1.9	2.1	*11*	17.7	7.1	*-60*
Hawaii	1.1	1.7	*62*	0.7	1.5	*117*	7.6	5.4	*-29*
Idaho	0.8	1.4	*77*	0.6	1.6	*150*	3.8	2.1	*-44*
Illinois	1.1	2.0	*85*	1.0	2.0	*111*	4.3	3.8	*-11*
Indiana	0.8	1.5	*100*	0.6	1.5	*146*	3.3	1.7	*-49*
Iowa	0.9	1.4	*57*	0.6	1.6	*158*	3.5	1.7	*-51*
Kansas	0.9	1.4	*57*	0.6	1.5	*138*	3.5	1.9	*-45*
Kentucky	2.5	4.3	*69*	1.8	4.5	*151*	12.5	7.2	*-43*
Louisiana	3.4	3.7	*10*	2.0	3.5	*72*	20.1	8.1	*-60*
Maine	2.0	2.3	*18*	1.4	2.6	*87*	8.6	3.2	*-63*
Maryland	1.2	1.7	*48*	0.9	1.5	*60*	5.4	4.1	*-24*
Massachusetts	2.2	2.6	*16*	1.3	2.5	*95*	10.8	5.7	*-47*
Michigan	1.3	2.1	*67*	1.1	2.3	*115*	5.9	3.0	*-49*
Minnesota	0.8	1.3	*60*	0.6	1.3	*136*	3.7	2.6	*-30*
Mississippi	4.5	4.5	*0*	2.4	4.1	*69*	26.0	10.9	*-58*
Missouri	1.8	2.0	*14*	1.1	2.1	*91*	7.9	3.0	*-62*
Montana	0.9	1.6	*80*	0.7	1.8	*150*	3.8	2.1	*-45*
Nebraska	0.9	1.2	*36*	0.6	1.4	*119*	3.4	1.8	*-47*
Nevada	0.8	1.3	*55*	0.5	1.1	*108*	5.9	3.3	*-44*
New Hampshire	0.6	0.9	*55*	0.4	1.1	*150*	2.5	1.2	*-53*
New Jersey	1.1	1.7	*49*	0.9	1.5	*74*	4.7	4.5	*-4*
New Mexico	2.0	2.6	*32*	1.4	2.4	*75*	12.4	7.2	*-42*
New York	2.1	3.3	*56*	1.6	2.8	*76*	8.3	9.0	*9*
North Carolina	2.4	2.3	*-4*	1.6	2.0	*27*	13.6	5.7	*-58*
North Dakota	1.0	1.3	*31*	0.6	1.3	*128*	5.1	2.4	*-52*
Ohio	1.1	2.1	*89*	1.0	2.3	*132*	4.2	2.4	*-42*
Oklahoma	2.3	2.1	*-9*	1.3	2.1	*58*	11.6	3.9	*-66*
Oregon	0.9	1.6	*86*	0.7	1.6	*129*	3.3	2.7	*-18*
Pennsylvania	1.4	2.4	*71*	1.1	2.5	*123*	5.0	3.4	*-31*
Rhode Island	1.6	2.7	*70*	1.1	2.7	*150*	6.4	4.9	*-24*
South Carolina	2.7	2.6	*-3*	1.8	2.4	*35*	17.0	6.0	*-65*
South Dakota	1.1	1.7	*49*	0.7	1.7	*136*	5.0	3.0	*-40*
Tennessee	2.9	2.8	*-2*	1.9	2.8	*50*	14.8	5.8	*-61*
Texas	1.9	2.0	*6*	1.0	1.6	*68*	12.7	7.6	*-40*
Utah	0.6	0.9	*64*	0.5	1.0	*96*	3.0	1.9	*-37*
Vermont	1.8	2.0	*13*	1.3	2.2	*68*	8.1	3.7	*-54*
Virginia	1.5	1.8	*20*	1.0	1.6	*57*	8.5	4.8	*-44*
Washington	1.2	1.7	*47*	1.0	1.8	*84*	4.8	3.6	*-25*
West Virginia	2.1	4.1	*92*	1.9	4.6	*147*	8.0	4.7	*-41*
Wisconsin	1.4	1.6	*11*	1.0	1.6	*67*	6.5	2.3	*-65*
Wyoming	0.4	1.2	*186*	0.3	1.3	*348*	2.7	1.6	*-42*
Total	1.9	2.3	*24*	1.3	2.2	*75*	9.0	5.6	*-38*

Note: Recipiency rates for 2001 are the ratios of the number of SSI recipients (in the respective age groups) as of the month of December to the estimated population in the respective age group as of the month of July; calculations by DHHS. The 1979 rates are based on the average number of recipients during the year.

Source: Social Security Administration, *Social Security Bulletin • Annual Statistical Supplement • 2002*, and U.S. Bureau of the Census, (Resident population by state available online at http://www.census.gov/population/estimates/state/).

Table SSI 9. SSI Recipiency Rates by State, Selected Fiscal Years 1975 – 2001

[In percent]

	1975	1980	1985	1990	1992	1994 [2]	1996 [2]	2001 [2]
Alabama	4.0	3.4	3.3	3.3	3.4	3.8	3.9	3.6
Alaska	0.8	0.8	0.7	0.8	0.9	1.1	1.2	1.4
Arizona	1.2	1.1	1.0	1.2	1.4	1.7	1.7	1.6
Arkansas	4.1	3.4	3.1	3.2	3.5	3.8	3.8	3.2
California	3.1	3.0	2.6	2.9	3.1	3.2	3.3	3.2
Colorado	1.4	1.0	0.9	1.1	1.3	1.5	1.5	1.2
Connecticut	0.8	0.8	0.8	1.0	1.1	1.3	1.4	1.4
Delaware	1.2	1.2	1.2	1.2	1.3	1.5	1.6	1.5
District of Columbia	2.2	2.4	2.5	2.7	3.0	3.5	3.7	3.5
Florida	1.9	1.8	1.6	1.7	1.9	2.3	2.4	2.4
Georgia	3.3	2.8	2.6	2.5	2.6	2.8	2.7	2.4
Hawaii	1.1	1.1	1.1	1.3	1.3	1.5	1.6	1.7
Idaho	1.1	0.8	0.8	1.0	1.2	1.4	1.5	1.4
Illinois	1.2	1.1	1.2	1.6	1.8	2.2	2.3	2.0
Indiana	0.8	0.8	0.9	1.1	1.3	1.5	1.6	1.5
Iowa	1.0	0.9	1.0	1.2	1.3	1.4	1.5	1.4
Kansas	1.1	0.9	0.9	1.0	1.1	1.4	1.5	1.4
Kentucky	2.8	2.6	2.7	3.1	3.4	4.1	4.4	4.3
Louisiana	3.9	3.2	2.9	3.2	3.5	4.1	4.2	3.7
Maine	2.3	1.9	1.9	1.9	2.0	2.4	2.2	2.3
Maryland	1.2	1.1	1.2	1.3	1.4	1.6	1.7	1.7
Massachusetts	2.3	2.2	1.9	2.0	2.2	2.6	2.7	2.6
Michigan	1.3	1.2	1.4	1.5	1.7	2.2	2.2	2.1
Minnesota	1.0	0.8	0.8	0.9	1.1	1.3	1.4	1.3
Mississippi	5.2	4.4	4.3	4.4	4.7	5.2	5.2	4.5
Missouri	2.1	1.7	1.6	1.7	1.8	2.1	2.2	2.0
Montana	1.1	0.9	0.9	1.3	1.4	1.6	1.6	1.6
Nebraska	1.1	0.9	0.9	1.0	1.1	1.3	1.3	1.2
Nevada	1.0	0.8	0.9	1.0	1.0	1.3	1.4	1.3
New Hampshire	0.7	0.6	0.6	0.6	0.7	0.8	0.9	0.9
New Jersey	1.1	1.2	1.2	1.4	1.5	1.8	1.8	1.7
New Mexico	2.3	1.9	1.8	2.1	2.3	2.6	2.7	2.6
New York	2.2	2.1	2.0	2.3	2.6	3.1	3.3	3.3
North Carolina	2.7	2.4	2.2	2.2	2.4	2.6	2.7	2.3
North Dakota	1.3	1.0	1.0	1.2	1.3	1.4	1.4	1.3
Ohio	1.2	1.1	1.2	1.4	1.6	2.1	2.3	2.1
Oklahoma	3.0	2.2	1.8	1.9	2.0	2.2	2.3	2.1
Oregon	1.1	0.8	1.0	1.1	1.2	1.5	1.5	1.6
Pennsylvania	1.2	1.4	1.4	1.6	1.8	2.1	2.2	2.4
Rhode Island	1.7	1.6	1.6	1.7	1.9	2.3	2.6	2.7
South Carolina	2.8	2.7	2.6	2.6	2.7	3.0	3.0	2.6
South Dakota	1.3	1.2	1.2	1.5	1.6	1.8	1.9	1.7
Tennessee	3.2	2.8	2.7	2.9	3.1	3.4	3.4	2.8
Texas	2.2	1.8	1.6	1.7	1.9	2.1	2.2	2.0
Utah	0.8	0.5	0.5	0.7	0.8	1.0	1.1	0.9
Vermont	1.9	1.7	1.8	1.8	2.0	2.2	2.2	2.0
Virginia	1.5	1.5	1.5	1.5	1.7	1.9	2.0	1.8
Washington	1.5	1.1	1.1	1.3	1.4	1.6	1.7	1.7
West Virginia	2.4	2.1	2.2	2.6	2.9	3.5	3.8	4.1
Wisconsin	1.4	1.4	1.5	1.8	1.9	2.2	1.8	1.6
Wyoming	0.7	0.4	0.5	0.8	0.9	1.2	1.2	1.2
Total [1]	2.0	1.8	1.7	1.9	2.1	2.4	2.5	2.3

[1] The number of SSI recipients used to calculate the total recipiency rate includes a certain number of recipients whose State is unknown. For 1975, 1985, and 1992, the numbers of unknown (in thousands) were 256, 14, and 71 respectively.

[2] For 1975-92 the percentages are calculated as the average number of monthly SSI recipients over the total population of each State in July of that year. For 1994-2001 the number of recipients is from the month of December; calculations by DHHS.

Source: Social Security Administration, *Social Security Bulletin • Annual Statistical Supplement • 2002*, and Bureau of the Census, (Resident population by state available online at http://www.census.gov/population/estimates/state/).

Appendix B

Alternative Definition of Dependence Based on Income from TANF and Food Stamps

Appendix B. Alternative Definition of Dependence Based on Income from TANF and Food Stamps

As directed by the Welfare Indicators Act of 1994 (Pub. L. 103-432), this annual report on *Indicators of Welfare Dependence* focuses on dependence on three programs: the Aid to Families with Dependent Children (AFDC) program, now Temporary Assistance for Needy Families (TANF); the Food Stamp Program; and the Supplemental Security Income (SSI) program. The summary measure of dependence proposed by the Advisory Board includes income from all three programs in its definition:

> A family is dependent on welfare if more than 50 percent of its total income in a one-year period comes from AFDC, food stamps and/or SSI, and this welfare income is not associated with work activities.

This appendix examines an alternative definition of dependence that considers TANF and food stamps alone, excluding SSI. One indicator in this report, Indicator 9, measuring long-term dependence, is based on this alternative definition.

As shown in Table B-1, the rate of dependency would have been only 1.5 percent in 2000 if based on income from TANF and food stamps, as opposed to 3.0 percent when counting income from all three programs (TANF, food stamps, and SSI). In other words, half of individuals who are dependent under the standard definition also are dependent under the alternative definition that considers TANF and food stamps alone.[1] There is significant variation across the age groups, however. The elderly depend more on SSI than on TANF and food stamps; whereas 2.1 percent of elderly persons are dependent when counting the three major types of means-tested assistance, very few, 0.2 percent, are dependent when the definition is limited to TANF and food stamps. In contrast, children are primarily dependent on TANF and food stamps.

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[1] In the early- to mid-1990s, 70 to 75 percent of individuals who were dependent under the standard definition were also dependent under the alternative definition.

Table B-1. Percentage of the Total Population with More than 50 Percent of Income from Various Means-Tested Assistance Programs, by Race and Age: 2000

	TANF, SSI, & Food Stamps	TANF & Food Stamps	SSI Only
All Persons	3.0	1.5	1.2
Non-Hispanic White	1.9	0.8	0.8
Non-Hispanic Black	7.7	3.8	2.9
Hispanic	4.5	2.7	1.2
Age Categories			
Children Ages 0-5	6.0	3.9	1.2
Children Ages 6-10	5.1	3.3	1.0
Children Ages 11-15	4.0	2.5	0.6
Women Ages 16-64	3.0	1.4	1.2
Men Ages 16-64	1.9	0.7	1.0
Adults Age 65 and Over	2.1	0.2	1.7

Note: Income is measures as total family income. Hispanic may be of any race.

Source: March CPS data, analyzed using the TRIM3 microsimulation model.

Appendix C

Additional Nonmarital Birth Data

Appendix C. Additional Nonmarital Birth Data

Table C-1. Percentage of Births that are to Unmarried Women Within Age Groups by Race: 1940-2001

	White					Black				
	Under Age 15	Age 15 - 17	Age 18 - 19	All Teens	All Women	Under Age 15	Age 15 - 17	Age 18 – 19	All Teens	All Women
1940	44.4	NA	NA	7.2	1.9	NA	NA	NA	NA	NA
1941	44.9	NA	NA	7.0	1.9	NA	NA	NA	NA	NA
1942	40.5	NA	NA	6.4	1.7	NA	NA	NA	NA	NA
1943	45.2	NA	NA	6.5	1.6	NA	NA	NA	NA	NA
1944	41.3	NA	NA	8.4	2.0	NA	NA	NA	NA	NA
1945	50.7	NA	NA	10.0	2.4	NA	NA	NA	NA	NA
1946	52.4	NA	NA	8.4	2.1	NA	NA	NA	NA	NA
1947	45.1	NA	NA	6.6	1.8	NA	NA	NA	NA	NA
1948	39.9	10.3	4.6	6.3	1.8	NA	NA	NA	NA	NA
1949	40.4	10.0	4.5	6.1	1.7	NA	NA	NA	NA	NA
1950	41.9	10.2	4.8	6.4	1.7	NA	NA	NA	NA	NA
1951	34.9	9.7	4.4	5.9	1.6	NA	NA	NA	NA	NA
1952	40.4	9.6	4.4	6.0	1.6	NA	NA	NA	NA	NA
1953	43.1	9.6	4.5	6.1	1.7	NA	NA	NA	NA	NA
1954	36.8	10.2	4.9	6.5	1.8	NA	NA	NA	NA	NA
1955	42.1	10.2	4.9	6.6	1.9	NA	NA	NA	NA	NA
1956	42.6	10.2	4.8	6.5	1.9	NA	NA	NA	NA	NA
1957	41.5	10.4	4.7	6.5	2.0	NA	NA	NA	NA	NA
1958	45.3	10.8	4.9	6.8	2.1	NA	NA	NA	NA	NA
1959	46.7	11.4	5.2	7.2	2.2	NA	NA	NA	NA	NA
1960	47.5	11.7	5.4	7.4	2.3	NA	NA	NA	NA	NA
1961	49.9	12.4	6.0	7.9	2.5	NA	NA	NA	NA	NA
1962	48.3	13.4	6.1	8.2	2.8	NA	NA	NA	NA	NA
1963	50.3	15.1	7.0	9.4	3.1	NA	NA	NA	NA	NA
1964	52.3	16.0	7.6	10.4	3.4	NA	NA	NA	NA	NA
1965	57.3	17.3	9.1	11.7	4.0	NA	NA	NA	NA	NA
1966	52.5	19.5	9.9	12.6	4.4	NA	NA	NA	NA	NA
1967	61.6	21.0	11.2	14.2	4.9	NA	NA	NA	NA	NA
1968	61.0	23.4	12.7	16.1	5.3	NA	NA	NA	NA	NA
1969	57.0	24.0	12.9	16.6	5.5	91.7	72.1	48.3	60.0	34.9
1970	57.9	25.2	13.5	17.5	5.7	93.5	76.0	52.1	64.0	37.6
1971	60.5	25.2	13.2	17.4	5.6	95.0	79.6	56.0	68.1	40.5
1972	59.0	26.4	13.7	18.5	6.0	96.4	81.0	59.0	70.7	43.9
1973	65.2	27.6	14.3	19.6	6.4	96.4	82.6	60.4	72.1	45.7
1974	65.3	29.4	15.0	20.8	6.5	97.4	84.8	63.8	74.7	47.1

over

Table C-1. Percentage of Births that are to Unmarried Women Within Age Groups by Race (*continued*)

	White					Black				
	Under Age 15	Age 15 - 17	Age 18 - 19	All Teens	All Women	Under Age 15	Age 15 - 17	Age 18 - 19	All Teens	All Women
1975	71.0	33.0	17.2	23.5	7.3	98.4	87.4	67.6	77.8	48.8
1976	69.3	35.7	18.8	25.4	7.7	99.1	89.7	70.9	80.5	50.3
1977	72.8	38.9	21.0	27.8	8.2	98.8	90.6	74.6	82.6	51.7
1978	73.1	40.1	22.5	29.1	8.7	97.2	90.9	76.5	83.5	53.2
1979	75.0	42.4	24.3	30.8	9.4	99.4	92.9	78.9	85.7	54.7
1980	75.4	45.4	27.1	33.6	11.2	98.6	93.1	79.9	86.2	56.1
1981	76.5	48.0	28.7	35.5	11.8	98.9	93.9	81.3	87.2	56.9
1982	77.7	50.1	30.3	37.2	12.3	98.4	94.2	82.4	87.9	57.7
1983	79.9	53.1	32.7	39.8	12.9	98.5	95.1	84.4	89.4	59.2
1984	80.8	55.4	35.1	42.2	13.6	98.6	95.3	85.4	90.0	60.3
1985	82.4	58.0	38.2	45.3	14.7	98.8	95.6	86.2	90.6	61.2
1986	83.6	61.3	41.7	48.8	15.9	99.0	95.7	86.9	91.1	62.4
1987	84.6	64.6	44.4	51.8	16.9	99.1	96.1	87.6	91.7	63.4
1988	86.5	66.2	47.3	54.1	18.0	98.9	96.4	88.5	92.3	64.7
1989	84.7	67.2	49.5	55.7	19.2	98.4	96.1	89.0	92.3	59.2
1990	83.6	67.9	50.8	56.8	20.4	98.5	95.6	89.4	92.2	59.8
1991	75.5	69.7	53.2	59.0	21.8	98.1	95.7	89.8	92.5	60.3
1992	76.2	70.6	54.9	60.6	22.6	97.6	95.6	90.4	92.8	68.1
1993	83.2	71.7	57.2	62.7	23.6	98.1	95.7	90.8	93.1	68.7
1994	90.4	77.5	61.9	68.0	25.4	99.1	97.8	93.4	95.5	70.4
1995	88.8	77.4	62.1	68.0	25.3	99.1	97.7	93.2	95.3	69.9
1996	90.1	78.8	63.3	69.2	25.7	99.1	97.9	93.6	95.6	69.8
1997	92.2	81.6	65.3	71.4	25.8	99.4	98.3	93.8	95.8	69.2
1998	94.0	82.7	66.5	72.4	26.3	99.6	98.3	93.9	95.7	69.1
1999	93.9	83.2	67.3	72.9	26.7	99.5	98.3	93.7	95.6	68.8
2000	94.0	83.4	67.8	73.1	27.1	99.4	98.2	94.0	95.7	68.5
2001	94.0	83.4	68.5	73.4	27.7	99.6	98.5	94.0	95.8	68.4

Notes: Births to unmarried women in the United States for 1940 – 1979 are estimated from data for registration areas in which marital status of the mother was reported; see sources below. Beginning in 1980, births to unmarried women in the United States are based on data from states reporting marital status directly and data from non-reporting states for which marital status was inferred from other information on the birth certificate; see sources below.

Source: National Center for Health Statistics, "Nonmarital Childbearing in the United States, 1940 - 1999," *National Vital Health Statistics Reports*, Vol. 48 (16), 2000; "Births: Final Data for 2001," *National Vital Statistics Reports*, Vol. 51 (2), December 2002.

★U.S. GOVERNMENT PRINTING OFFICE:2003-519-632

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EFF-089 (1/2003)